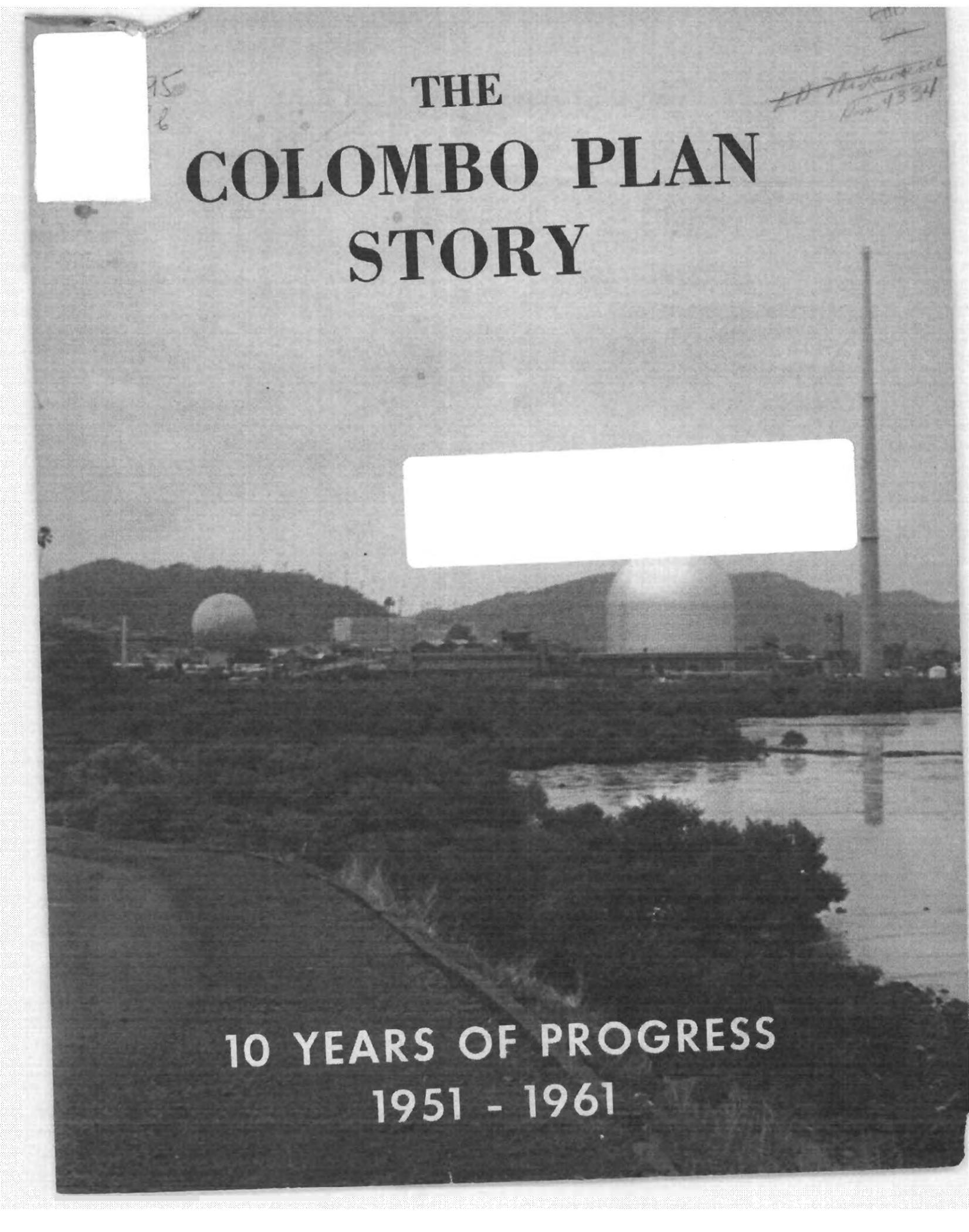


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THE
**COLOMBO PLAN
STORY**

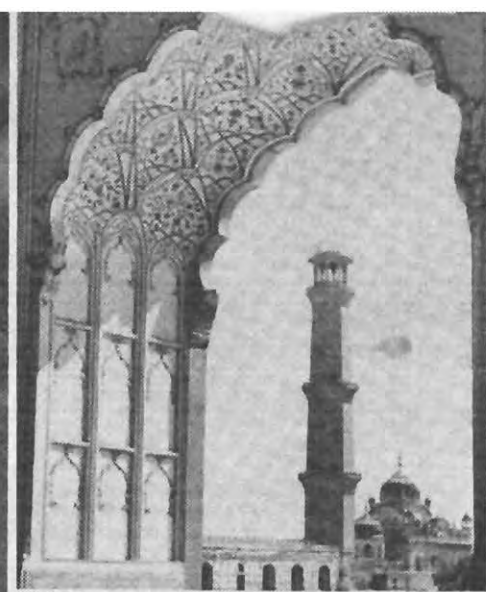
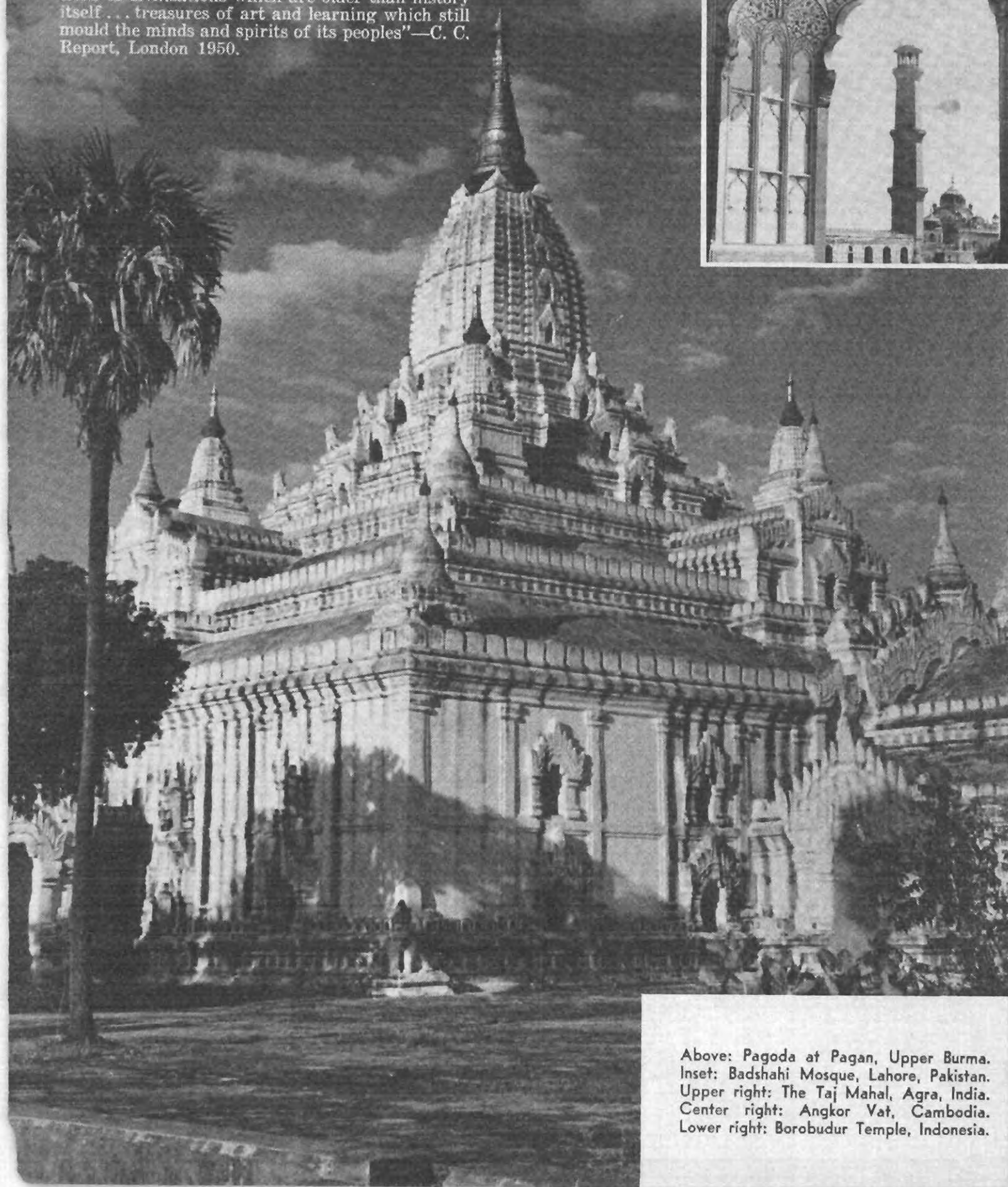
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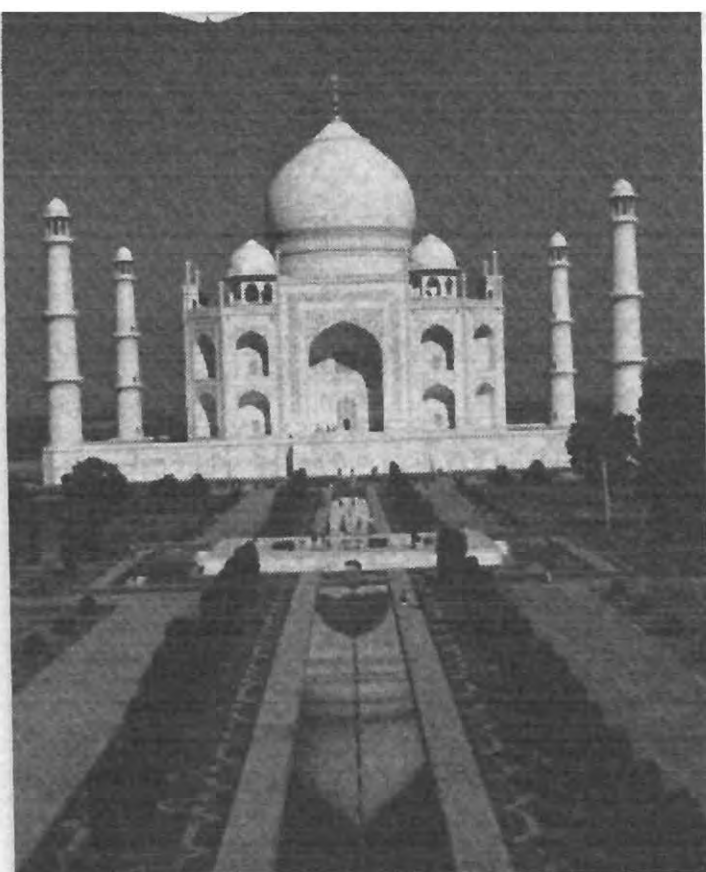
**10 YEARS OF PROGRESS
1951 - 1961**

S & S-E Asia

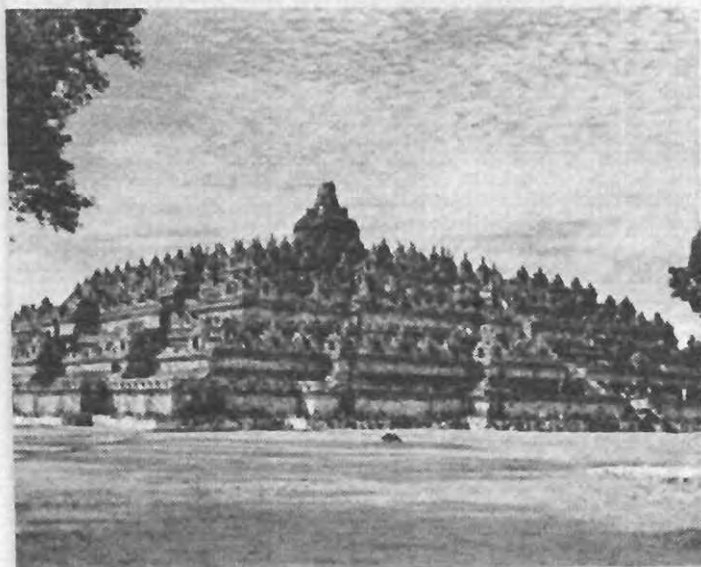
"...incalculable capital in the form of the traditions of civilizations which are older than history itself...treasures of art and learning which still mould the minds and spirits of its peoples"—C. C. Report, London 1950.



Above: Pagoda at Pagan, Upper Burma.
Inset: Badshahi Mosque, Lahore, Pakistan.
Upper right: The Taj Mahal, Agra, India.
Center right: Angkor Vat, Cambodia.
Lower right: Borobudur Temple, Indonesia.



THE COLOMBO PLAN STORY

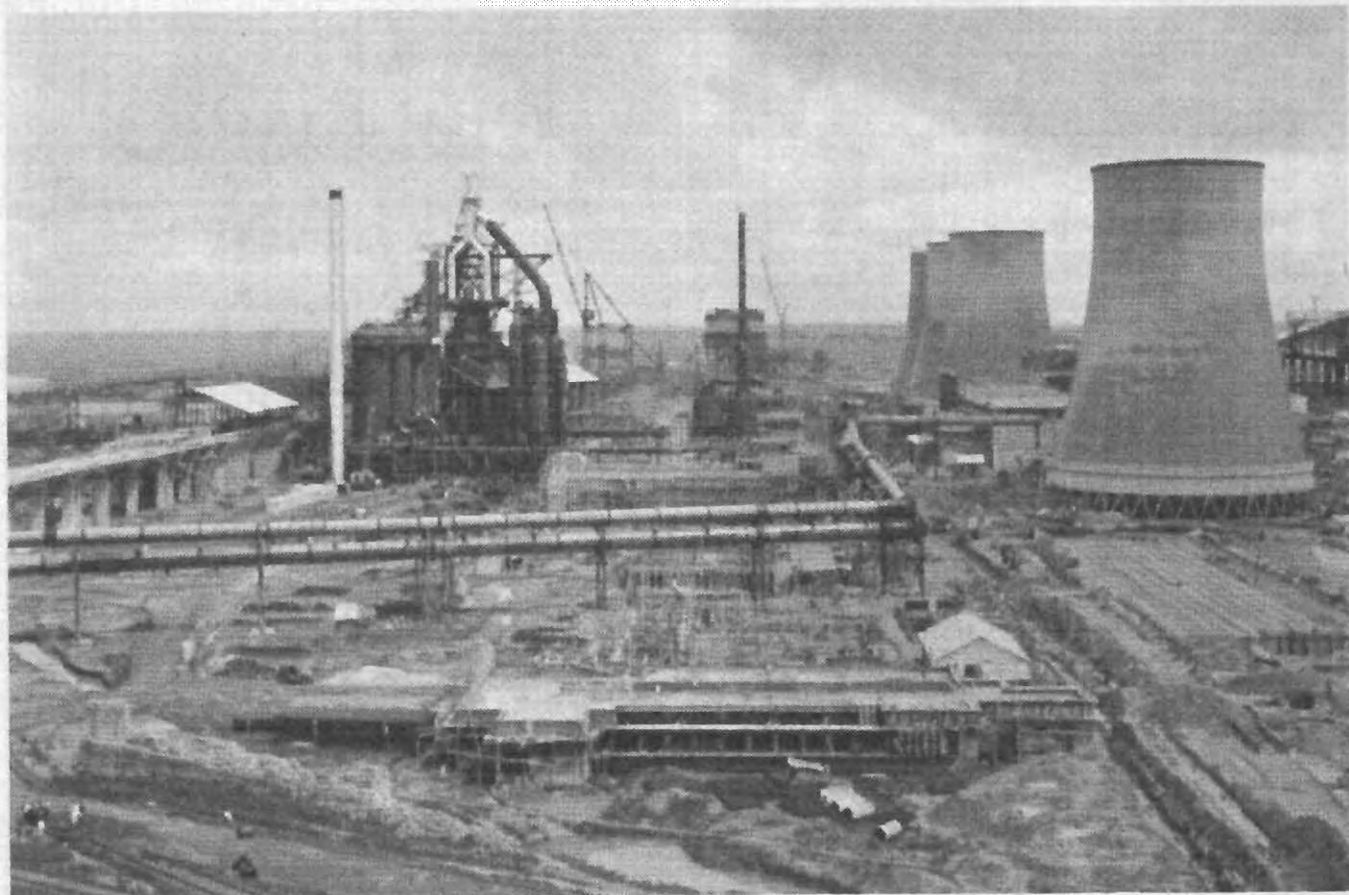


SOUTH AND SOUTHEAST ASIA today is in a bustle of activity. From the point in Pakistan where the mountain snows that eventually run along the Himalayas begin, to the assembly of islands that lie between the Indian and Pacific Oceans, a renaissance has begun: this region is alive with the will to advance and with the work of its millions to better their lives.

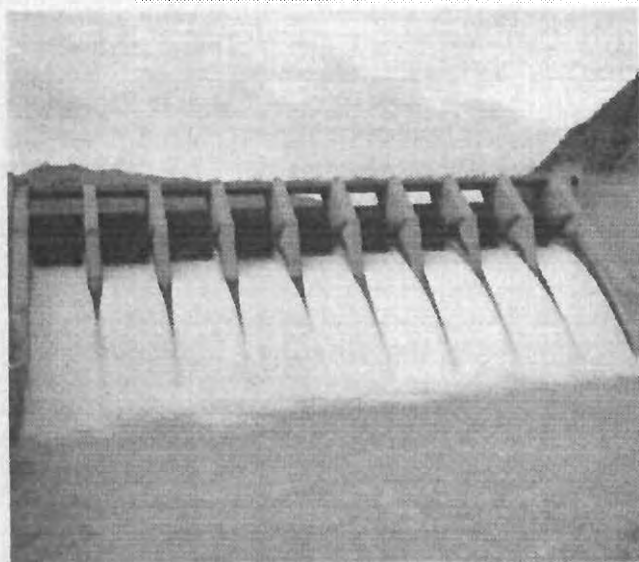
At one extreme is Indonesia, whose three thousand islands dictate the development of sea and air transport. If you go today to Tjurug, the site of an old aerodrome near the capital of Djakarta, you will find a key unit in this development—the Indonesian Aviation Academy. This is where Indonesia's new pilots and navigators (and some, incidentally, from neighbouring Malaya, too) are being trained in this vital work. The Academy's history is a cosmopolitan one. The United Nations cooperated in founding and running it, and today you will find Australian, Canadian, Indian and Indonesian instructors and aeronautical engineers working together there as a team—with British *Chipmunk* and Canadian *Otter* planes and with equipment supplied by Australia and the U.S.A., all by way of gift or credit. The foreign instructors are paid by their own Governments as a measure of friendly assistance to Indonesia's development, and many of the Indonesian supervisors and teachers had part of their training in Australia and Britain, free of charge.

Jump now across the South China Sea to Sihanoukville, a new seaport in Cambodia on the Gulf of Siam. Here again the prime need is for better transport facilities, this time on land, and at Sihanoukville you stand at one end of the road that gave the Cambodian interior access to the country's first deep seaport—the £12 million (US\$33 million) Khmer-American Friendship Highway. This 130-mile road, officially opened two years ago, was driven through jungle, swamp and mountain by joint teams of technicians

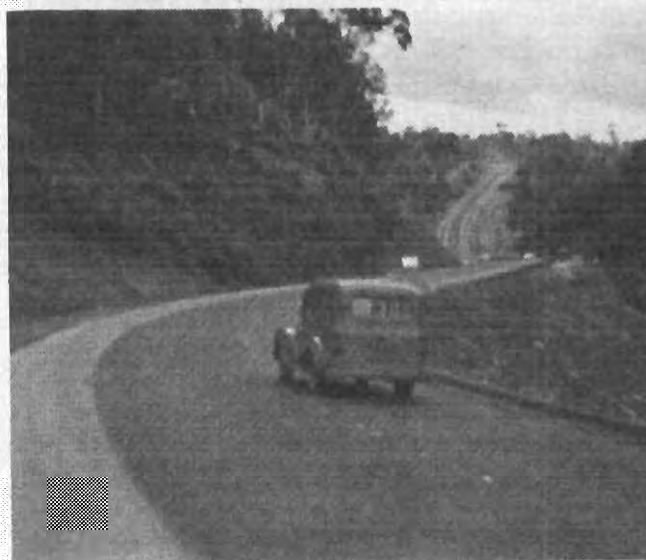
"A Bustle of Activity"



The vast steel works at Durgapur, West Bengal, India went into production more than a year ago. More than 200 of its Indian engineers and technicians were trained in the United Kingdom. Australia and the United States also helped.



The Warsak hydro-electric project in Pakistan.



A view of the East-West Highway, Thailand.

from Cambodia and the U.S.A. They battled for five years to lay this two-lane asphaltic concrete highway, and there were nights when wild elephants playfully pushed their jeeps and equipment about. Today it plays a vital role in the country's trade and development.

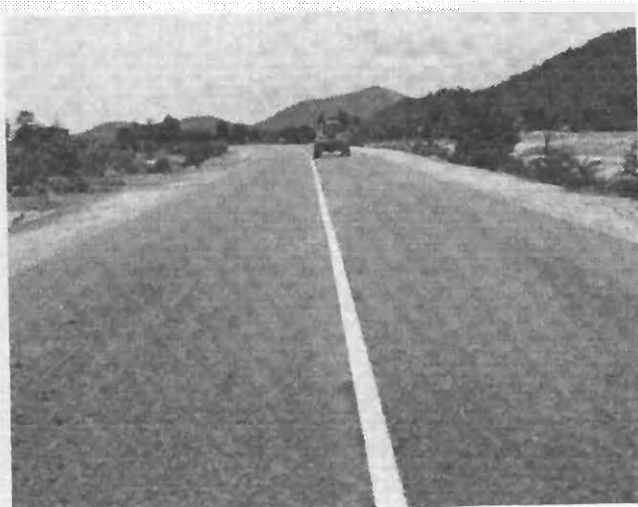
New Life

Now fly over Thailand and Burma into India, the largest country of the region, and visit Durgapur. A few years ago this was a sleepy, unknown village in the West Bengal plain not far from Calcutta. Today it boasts a vast new integrated iron and steel complex which has added one million tons of ingot steel a year to India's installed capacity. This gigantic product of joint Indian-British labours—the U.K. Government loaned £15 million (US\$42 million) towards the £105 million (US\$300 million) that was needed for its construction—has brought new life to the locality and provides India with a powerful base for her newly expanding industries. Some 350 of the Indian engineers who are running this enormous plant received special training in Britain, Australia and the U.S.A.—at their hosts' expense—for the work they are now performing.

Very different in terrain from the tropical sea-girt land of Indonesia or the plains of eastern India is the rugged mountain country of northwest Pakistan. Here, within sight of the famous Khyber Pass for so long the doorway for mediaeval traders and travellers into India, you will today see another kind of development—the fruits of four years of arduous work by thousands of Pathan tribesmen and hundreds

of Pakistani and Canadian engineers. The Warsak Hydro-electric scheme enables great areas of West Pakistan to irrigate their farmlands and use electricity to build industries—and it adds its bit to the harnessing of the waters that would otherwise sweep down the Indus valley unchecked and wasted, as they have since the dawn of history in that place, now shattering whole communities with their fearful floods, now parching the land by withholding the promise of seasonal flow. This *jihad* (holy war) against poverty, as it has been called in Pakistan, cost about US\$60,000,000, a sum which the Canadian and Pakistani Governments cooperated in raising.

These are some of the dynamic things that are happening today in this region of South and South-east Asia where one in four of the world's inhabitants live—on one-sixteenth of the world's land. They are part of the stupendous effort being made by the peoples and Governments of these countries to raise their standards of living and to break out of the vicious circle of poverty. They also happen to be examples of one particular aspect of this continent-wide movement, the co-operation of different Governments and peoples both within the region and outside in the fight for Asian economic advance. In each case there are, perhaps, Japanese (for Japan, having succeeded in bringing its people up to levels of living comparable with those of many European nations, is now lending a hand to the similar efforts of her Asian neighbours) or New Zealand experts working, with local colleagues, on machinery and materials that may have come from local workshops and quarries or from the factories of Britain or the U.S.A. across the ocean. In each case you will find men from different countries, dif-



U.S. gave more than \$10,000,000 for Friendship Highway.



Aviation Academy at Tjurug, Indonesia.

ferent traditions, different races, working together with materials from various sources in a single co-operative endeavour—the achievement of a better life for the 720,000,000 people in this part of Asia. In each case you see the Colombo Plan at work.

“The Colombo Plan for Co-operative Economic Development in South and Southeast Asia,” to give it its full name, has now been in formal operation for exactly ten years. The Development Programmes of the Asian countries that combined to form the first blueprint of the Plan all ran from July 1st, 1951. But the beginnings of the Colombo Plan, the first unformed ideas that led to its foundation, date back to 1949, when the Foreign Ministers of the independent countries within the British Commonwealth—Australia, Canada, Ceylon, India, New Zealand, Pakistan and the United Kingdom—were preparing for their first meeting since the Second World War. The Colombo meeting of the Commonwealth Foreign Ministers in January of 1950 was momentous for a number of reasons. It was the first at which the newly independent Asian members participated to express their own sovereign views and policies on international affairs. It was also the first ever to be held on Asian soil. And it was, indeed, a meeting of giants. Ernest Bevin, the ebullient and sagacious British labour leader; Jawaharlal Nehru, the gifted spokesman for the emerging aspirations of post-war Asia; Percy Spender, the far-sighted Australian statesman; Lester Pearson, the brilliant Canadian internationalist; D. S. Senanayake, the respected Ceylonese premier and Ghulam Mohammed, later to become Governor-General of Pakistan—all of these were men of exceptional calibre, well-equipped to grasp the vision that chance put before them.

Not an Accident

Not that the Colombo Plan idea came by accident. It was not on the agenda of the Foreign Ministers' meeting, whose brief it was to range broadly over the condition of a worried world in general and of an anxious Asia in particular. But the yearnings for both political stability and economic uplift in the post-war Asia were in everyone's mind and they took shape in two concrete proposals that were put to the meeting by different participants quite independently of one another. Australia in particular had conceived in the first few years after the Second World War a fierce concern for the fate of her newly independent neighbours to the north, all seeking ways of providing a better life for their people. The famous Marshall Plan had guaranteed American help in the economic recovery of war-torn Europe, and in 1949 President Truman's Point Four Programme gave an assurance that the emergent countries of other continents would

also benefit from the generous post-war American mood. Sir Percy Spender (as he later became), the Australian Minister for External Affairs, recognised that the need of the South and Southeast countries was great, far greater perhaps than that of any other part of the world. He brought to Colombo, therefore, a suggestion that the Commonwealth countries take the initiative in launching a programme of technical assistance to the region.

Development Programmes

Meanwhile the Ceylonese leaders had also been pondering on the development problems that they themselves were facing, and Mr. J. R. Jayawardene, Ceylon's Finance Minister, laid before his colleagues a plan for joint capital assistance to the region for the financing of their development programmes. These ideas were not by any means immediately and enthusiastically accepted. The technically more advanced Commonwealth countries were either still struggling to achieve their economic recovery from the war or were themselves engaged in the much-needed development of their own young economies—they were all dependent themselves on the flow of foreign capital or continued foreign assistance. And even among the Asian delegations at Colombo there were initial misgivings: it was asked whether the acceptance of foreign countries' "charity" might not compromise their jealously prized sovereignty. But on both sides the longer and the larger view prevailed. It was agreed to meet again in Sydney, Australia, within a short time and to hammer out a detailed programme combining both the Australian and the Ceylonese ideas.

The sceptical were surprised when the Sydney meeting four months later not only called for the Asian countries to prepare six-year development programmes beginning from July of 1951 to provide a framework within which capital and technical assistance could be facilitated, but also formally inaugurated a three-year guarantee of £8 million (US\$22 million) from the seven Governments. Be it noted that the 'co-operative' element in the Colombo Plan (as it now became known) was not merely a lip service. Of the £8 million promised in Sydney, Britain and Australia provided the major part; India's contribution was bigger than New Zealand's and Ceylon's was bigger than Canada's.

The delegations assembled again in London in September, 1950, to consider the Six-Year Programmes prepared by the seven Commonwealth countries and territories—India, Pakistan, Ceylon, Malaya, Singapore, North Borneo and Sarawak. Their conclusions were set out in a 100-page Report which constitutes the original "Colombo Plan." The Report examined the damage that had been done to the countries of



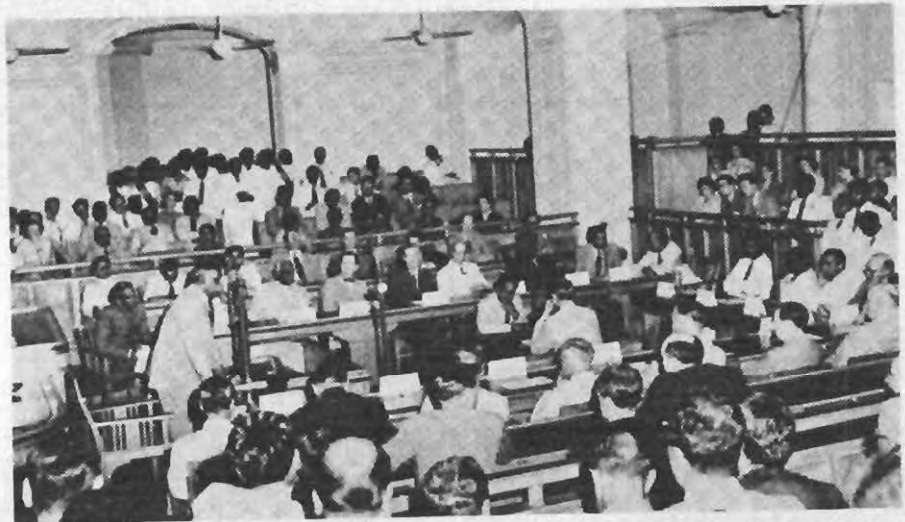
Colombo 1950 — Tokyo 1960

Above, Senate Building in Ceylon, where the Colombo Plan was born a decade ago.

Right, the historic first meeting.

Center right, the leaders in a 1950 photo.

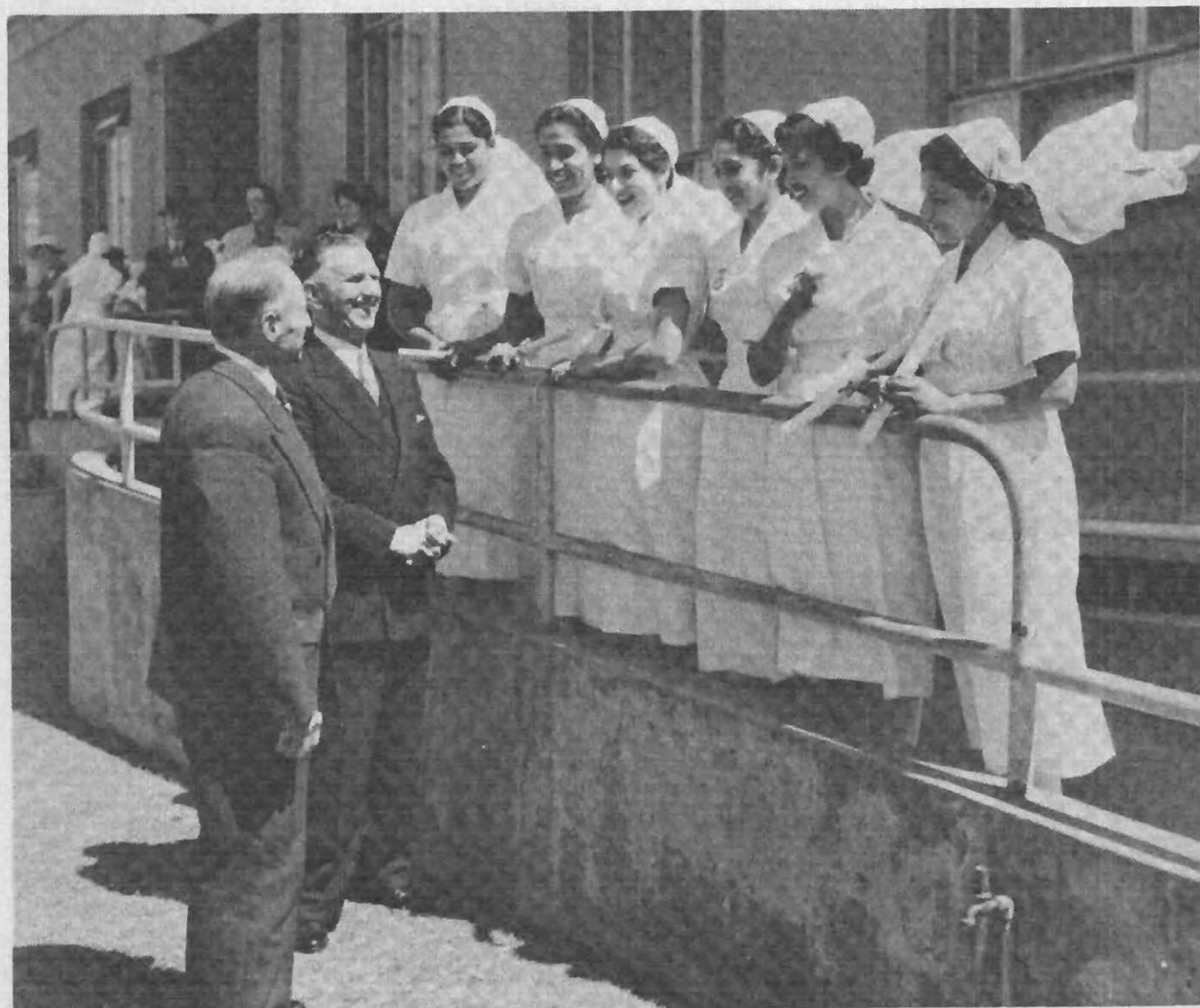
Bottom, twelfth Consultative Committee meeting in Tokyo hears Prime Minister.



the region directly or indirectly, by the war (in most of them the condition of the average man was worse than it had been in 1939) and accepted the urgent need for them to proceed from the job of patching up the wounds of war to the vigorous and longterm development of their natural resources. Much of the acceptability of Colombo Plan assistance stems from the arguments of this Report of 1950.

The Report rests simply on three points. First, that the world and everyone in it would be rendered more peaceful by the achievement of social and political stability in South and Southeast Asia—and that this in turn pre-supposed economic development. Second,

that the "restoration of the area to its key position in world trade" was vital not only for the Asian countries themselves but also for the growth of "an expanding world economy based upon multilateral trade." Third, that the cultural resources of Asia—which, the Report declares in its remarkable and moving concluding paragraphs, possesses "incalculable capital in the form of the traditions of civilisations which are older than history itself—traditions which have produced treasures of art and learning and which still mould the minds and spirits of its peoples"—must be unlocked, through economic advance, to allow them to contribute fully to the lives of peoples everywhere.



The first Colombo Plan trainees were these six dental nurses from Ceylon, who went to New Zealand for training in March, 1951. They are shown here after receiving their diplomas.

Both the methods and the ultimate aims of the Colombo Plan are explicitly co-operative and to the good of all. Neither excessive professions of altruism nor naked motives of pure self-interest are allowed any place in its work. The spirit of its endeavours is that of a business-like partnership between friends.

The Report analysed the Development Programmes prepared by India and the other Asian Governments, and concluded that the main limitations on their size and speed were the shortage of capital and the shortage of trained men. The total cost of these seven Six-Year programmes (India, Pakistan, Ceylon, Malaya, Singapore, North Borneo and Sarawak) was £1,870 million (US\$4,250 million). Just over half of this could be raised by the countries themselves, but something like £840 million (US\$2,350 million) would need to come from outside sources over the six years. The training of Asian technicians, both at home and abroad, and the filling of this financial 'gap' were the two targets which the members of the Colombo Plan set themselves.

In the event the Three-Year Technical Co-operation Scheme was made co-terminous with the Colombo Plan itself, and the Plan has now been twice extended until 1966. It seems clear that it has come to stay as long as the development need exists: both the capital and the technical assistance given under it now proceed in parallel.

All were Invited

It was a Commonwealth initiative. But it was intended from the start as a programme for the whole South and Southeast Asian region on the theory that the poverty of one depresses all. Neither the Ceylonese nor the Australians in their first thoughts on the subject conceived of the development need in any exclusive spirit. Indeed, when the Technical Co-operation Scheme was started by the Sydney conference, its facilities were at once offered to all countries in South and Southeast Asia regardless of whether they became members of the organisation or not. All the non-Commonwealth countries were similarly invited to prepare Development Programmes and join in the vast co-operative effort that was being launched.

At the meeting in London in September of 1950, representatives or observers from Burma, Cambodia, Indonesia, Laos, Thailand and Vietnam met with the founder members, and gradually each of these nations was admitted to membership. Later the list was extended to include Nepal and the Philippines, both within the geographical area originally envisaged by the Plan and possessing intimate links with the original members. It was also recognised from the beginning that the resources of the Commonwealth

countries alone would not be enough to attain the goal, and the hope that the mighty means at the command of the U.S.A. could be guided along the same path, were realised in 1951 when America became a member of the Colombo Plan. Japan, by then completing her post-war recovery, also joined in 1954 in the role of a 'donor.'

Truly Regional

The Plan is today truly regional in that none of the countries within the area remains outside it. This may seem trite today, but in the early 1950's, when many of the countries of the region were determined to remain unentangled with any of the big powers and to pursue a path of neutrality, the association of all these countries was a just tribute to the sincerity of the idea behind it and the aura of friendliness and deference to sovereignty that prevailed in it. It had no "strings."

The Colombo Plan has no supra-national authority and is not a master plan for the area: indeed it is not in the true sense a plan at all but rather the sum of the national plans of its Asian members. It does not interfere in the way in which each country works out its own needs and targets in the light of its own conditions. There is neither compulsion nor inspection nor accounting. Its meetings take no decisions on the planning or economic development of its members, and no one is bound by what it says. It merely offers a loose organisation by which both Asian development under national plans and, also voluntary arrangements for mutual assistance between themselves or with one of the more developed countries outside can be made more easy and smooth, principally through friendly and informal discussion and contact.

This is particularly characteristic of the Plan's Consultative Committee, which meets for three weeks every year—last year in Tokyo, this year in Kuala Lumpur—to review progress, discuss current problems of economic growth and co-operation and assess the tasks ahead. Every member country sends a delegation of senior officials (and, for the final week, a Minister) for this purpose and the occasion also provides the opportunity for bilateral talks and negotiations on various development projects and the best method of implementing them. A traditional feature of the annual Consultative Committee meetings is the friendly but thorough scrutiny of the 'progress reports' of each of the countries in the region by a panel of three of its fellow-members. Another is the fact that there are no majority decisions and no counting of votes: all decisions are unanimous and are arrived at by informal discussion and mutual accommodation to each other's views.

During the eleven months between each Consultative Committee meeting, the technical assistance and information work of the Colombo Plan is looked after by the Council (whose full name is the "Colombo Plan Council for Technical Co-operation in South and South-east Asia"). This meets several times a year in Colombo and comprises usually the diplomatic representatives in Ceylon of the member countries. The presidency of the Council rotates among members: India, Pakistan, Ceylon and Indonesia have each twice provided a President, and Burma once. Such is the informality of the Council that there is no voting procedure laid down.

The Council's work is assisted by the Colombo Plan Bureau, which comprises the only permanent staff in the whole organisation. But the Bureau is not a secretariat of the kind employed by most other international bodies. It comprises only twenty-five persons—from the Director to clerks and messengers—including three internationally recruited officers (supplied so far by Australia, Canada, Ceylon, India, New Zealand, Pakistan and U.K.) and four officers recruited in Ceylon, who work together in a small house tucked away in a suburb of Colombo City. The Bureau's budget never exceeds £37,000 (US\$104,000) a year, and this is met equally by all member Governments—the smallest paying as much as the largest. The philosophy of the Plan is not to inject more officialdom and formality into the international arena, but simply to provide the basic necessities (by way of records, information and guidance) for smooth and direct negotiations between individual member Governments. The Bureau circulates general offers of training, supplies information about the facilities and procedures of the Plan to any member Government in doubt, receives copies of every completed technical assistance transaction and publicises (in the area as well as outside) the work of the Plan.

Technical Assistance

This, then, is how the Colombo Plan was born and how it is run today. Let us now look more closely at the actual work it is doing in the field. Capital aid projects are, of course, the bigger and more spectacular part of its work, and indeed no less than £2,250 million (US\$6,300 million) has, on a rough estimate, been contributed by all the 'donor' countries and actually spent in the development of the Colombo Plan region in the past ten years. But the Plan's technical assistance programmes came first in time; they are the instrument by which countries in the region are enabled to undertake more and more capital development by themselves, and they have become so unique and characteristic a feature of the Plan's activities that they are worth considering first of

all. They aim in various ways to meet the shortage of skilled men that is at so many points holding back economic development. They aim therefore to provide the free services of experts in the fields requested by the developing countries for periods ranging from a few months to a few years, to provide students from developing countries with free places in institutes of higher education and free on-the-job training in technical skills, and to assist in the physical construction and equipment of training institutes within the region by gifts or loans of men, money and materials.

Training

Last year, for instance, India sent a trainee to Japan to study at Japan's expense the Japanese techniques of utilising various kinds of locally-provided manure to make soil more fertile and raise food output. Japan sent to Malaya free of charge a plant breeder and a rice agronomist to assist in research at the Bukit Merah Padi Experiment Station. The Philippines, Pakistan, Thailand, Malaya and India all sent students to the U.K. for a five-month course in crop protection techniques, paid for by the British Government. Australia sent dairying experts, a milking plant and over a hundred head of Jersey cattle, free of charge, to help develop the experimental dairy farm at Ben Cat in Vietnam. The Fish Farm Manager of the Philippines Bureau of Fisheries attended a ten-month course on fisheries administration in India and three other members of the Bureau were on various specialist two-year courses there, at India's expense. The Chief of the Minerals Experimental Centre in Thailand went to Birmingham University to study, at British expense, low-temperature carbonisation of lignite—deposits of which are now to be exploited in Thailand. British and Australian experts assisted Burmese geologists, free of charge, in the effort to find uranium ore in Burma. Eight senior industrial managers from large Indian undertakings took a year's course in management in the U.S.A., paid for by the American Government. A Cambodian and an Indonesian took up free three-year courses in paper-making technique in Canada. Ceylon received the free services of an American airport construction engineer and Nepal, which is installing a country-wide radio network, was furnished without charge with eight U.S. experts in this field. Two Sarawak civil servants were undergoing free training in public administration in New Zealand, and Australia provided training places in the same field at her own expense for officials from North Borneo and Brunei (as well as from Indonesia and Burma). The U.S. lent without payment the services of budget and taxation experts to the Government of Laos.

These are only a few examples, taken at random,

of Colombo Plan technical assistance. Every effort is made by member Governments to find and supply experts in the numerous specialised fields required, and to offer the maximum number of training places in the subjects needed by the developing countries—all to expedite the latter's own development plans. In the first ten years of the technical assistance programme under the Plan (which began in July of 1950, a year earlier than the capital aid part of its work) a total of almost 21,000 Asian technicians have been trained free of charge outside their home country by Colombo Plan Governments—including an estimated 10,900 by the U.S.A.—at a cost of around £22 million (US\$61 million). Not counting the many Americans, whose precise numbers are not known, just over 1,400 experts were provided at a cost to the 'donors' of almost £5 million (US\$13 million) and equipment—again not counting American—was furnished to the extent of £3½ million (US\$10 million).*

This is not, of course, the only assistance which is received from all sources by the developing Asian members. Various United Nations bodies have given some 5,200 fellowships to countries in the Colombo Plan region and supplied them with over 7,200 experts. Close liaison is maintained by the Plan with these other organisations: ECAFE (the Economic Commission for Asia and the Far East) and UNTAB (the United Nations Technical Assistance Board) both take part in the Consultative Committee meetings and UNTAB has a seat in the Council that meets in Ceylon.

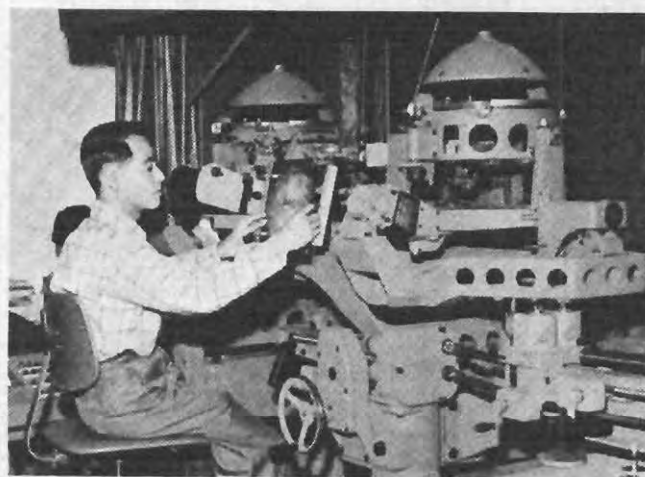
Facilities in the Region

Much has been done in training Asians into development skills, and even more could be done if there were better use of the good quality training facilities now becoming available within the region. Since the Colombo Plan started, the developing countries within it have been giving more and more free training to their neighbours or furnishing experts to them. One example has already been given: that of Philippines fishery officials taking courses in India last year—at the same time that the Philippine Government was providing a health officer from Sarawak with free training at the Philippines Institute of Malariology. Fourteen railway officials from Burma, Malaya, Indonesia, Thailand and Vietnam last year trained at the Regional Railway Training Centre in Lahore, West Pakistan, at the Pakistani Government's expense. Apprentices in engineering from Burma, Malaya, North Borneo, the Philippines and Vietnam took up Ceylon's offer of places at the Gal Oya Technical Training Institute (where they were, incidentally, using

*U.S. reporting these statistics did not start until U.S. joined Council in '58.



Two Malayan Colombo Plan trainees (right) receive instruction in class at Air Training School, Drigh Road, Karachi, Pakistan.



North Borneo trainee, schooled in Australia, operates photo plotting machine which produces maps from aerial photographs.

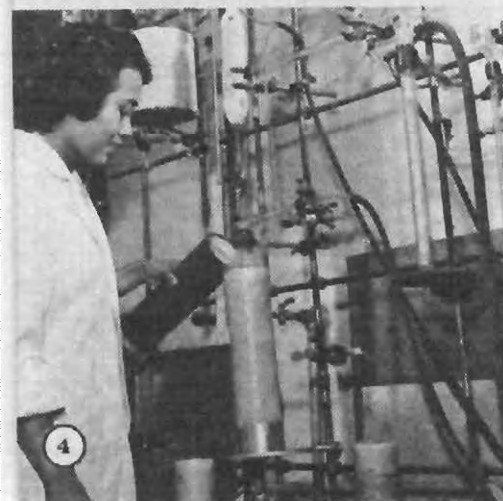
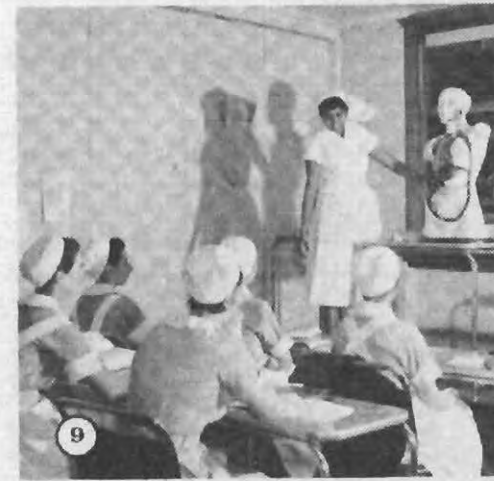
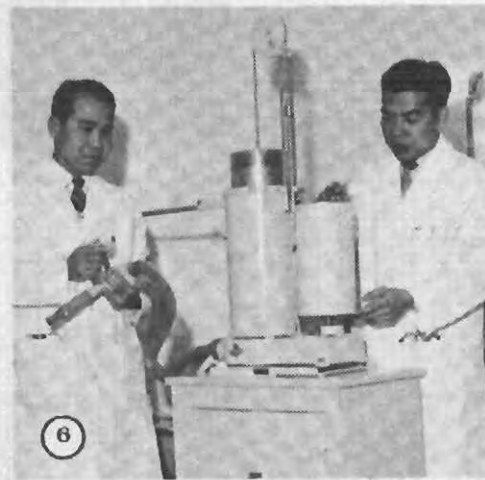
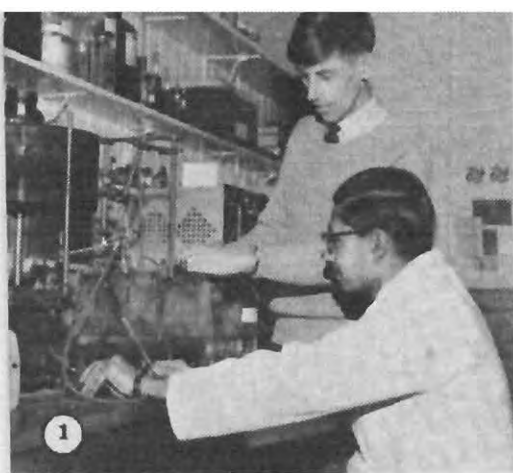


Trainees from Burma, India, Indonesia, Nepal, Pakistan, the Philippines and Viet-Nam at the Indian Statistical Institute.

Technical Cooperation:

1. Indian pharmacologist in Britain.
2. Vietnamese trainees in the Philippines.
3. Thai dental nurses in New Zealand.
4. Indonesian trainee in Ottawa laboratory.
5. Filipino studies microwave in Japan.

6. Burmese and Thai doctors in North Wales.
7. Pakistani agriculture students in Japan.
8. Ceylonese and Nepalese in New Delhi.
9. Singapore girl lectures in Australia.
10. Indian trainee in Canada.



Training in Development Skills

11. Thai police trainees in Brisbane.

12. Malayan trainee in New Zealand.

13. Thai trainees with American instructor.

14. Nepalese students in New Zealand.

15. Indian engineer in British steel mill.

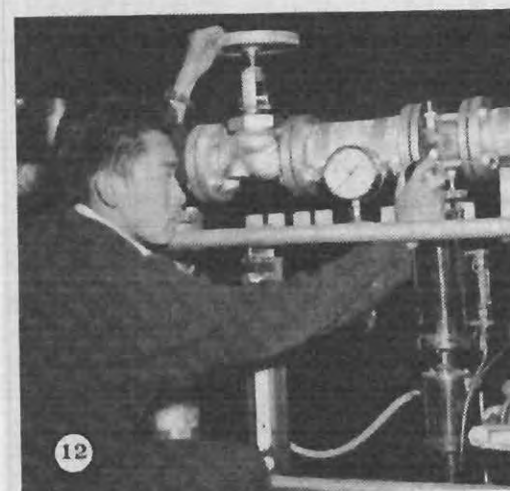
16. Ceylonese rubber researcher in Bristol.

17. Pakistani postgraduate in Canada.

18. Burmese soil chemist works in Canada

19. Indonesian and Filipino at Delhi.

20. Pakistani studies mapping in Ottawa.



equipment and buildings provided by the Governments of Canada, Ceylon, the U.K. and the U.S.A., making this a thoroughgoing illustration of the "co-operative economic development" which the Colombo Plan aims at). Ceylon was also training Pakistanis and a Filipino in rubber and copra technology.

Imparting Skills

India, the largest country in the area, has given technical training to almost every other country in the region, particularly to her northern neighbour, Nepal. Textile technology, geo-chemistry, nutrition, forestry, dentistry and scores of other skills have been imparted to her neighbours in this way, and India, indeed, is the fifth largest supplier of technical training facilities under the Colombo Plan. She has supplied no less than 1,279 new places in the ten years to last June, while New Zealand supplied 738, Canada 1,374, Australia and Britain each over 3,000 and the U.S.A. considerably more. All but the six smaller countries of the Colombo Plan region have given aid of this kind to their colleagues. Indeed, leaving aside the American training programmes for which annual figures are not available, the countries of the region itself have in the first decade provided just over 15 percent—about one in six—of all the new training places supplied. And the proportion is rising all the time, from about 7 percent in the first two years to around 14 percent in the middle few years to an average of 19 percent (almost one in five) in the last three years. The same applies to the provision of experts, of which 38 have been provided by countries within the region for use in other countries of the region in the first ten years—almost three out of every 100 if the American contribution be left out of account. An important role in this movement is played by the U.S.A.'s 'Third Country' programmes, under which institutions in the area, especially in Thailand and the Philippines, accept—at American expense—trainees from their neighbours in the region.

An outstanding case of this kind of intra-regional co-operation is the International Statistical Education Centre at Calcutta. One of the great obstacles to sound economic development in the area at the beginning was the lack of reliable and comprehensive statistical information upon which planning could be based. This has now improved considerably, and the Calcutta Centre has played its part. The Indian Government regularly offers places at the Centre to officials from other Colombo Plan countries, and last year, for example, junior fellowships were taken up there by nineteen students from Burma, Ceylon, Malaya, Indonesia, Laos, the Philippines and Thailand, while two other students from Thailand took more advanced courses.

Also included in the list of Colombo Plan trainees invited by the Indian Government to study at the Calcutta Centre were a Japanese civil servant and a Social Security Statistical Officer from New Zealand. During this past decade, indeed, ten Japanese have taken statistical training in Calcutta—while an Australian customs and excise clerk has trained in political science and an Australian University teacher of botany has studied plant embryology (both in India at India's expense), and three technicians from the Japanese National Railways have taken courses at the Lahore Railway Training Centre at the expense of the Pakistani Government. Thirty heads of red Sindhi cows were provided by Pakistan to Australia for breeding purposes. Outsiders are often surprised to learn of this "aid in reverse." 'Why should these countries, so short of development funds, give any aid to people from such technically advanced nations as Japan and Australia?' it is sometimes asked. The reason goes back to that word 'co-operative' in the full title of the Colombo Plan. The Plan is not simply a forum for 'hand-outs' by the richer members to the poorer. It is a club in which everyone tries to help each other, on the principle that all members, whatever their stage of development, should contribute according to their ability and receive according to their need.

But the fact of Australians and New Zealanders and Japanese training in India and Pakistan (and soon, perhaps, in other countries in the region) is also a tribute to the rising standards of the technical training institutes within the region. There is a strong feeling among Colombo Plan officials that if the facilities and standards of some of these universities, colleges and institutions for in-service training within the area were better publicised and better known, the demand for places in them would increase considerably. This would enable larger numbers to be trained without incurring the great expense of going outside the area—where in any case the peculiar characteristics of the region may not always be fully taken into account in the teaching syllabus.

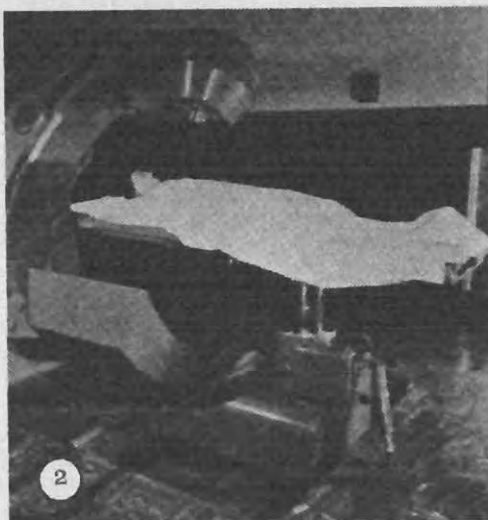
Instructors and Apprentices

The Colombo Plan justly claims some of the credit for this improvement of Asian training facilities. Look for example at the Artisan Training Centre at Rangoon, in Burma, where two-year secondary trade courses are now given in skills ranging from radio and automobile mechanics to foundry and moulding work—New Zealand provided two instructors and is training a Burmese teacher, while Australia supplied almost £14,000 worth of workshop equipment and tools. Or visit the National School of Arts and Trades at Phnom Penh, the capital of Cambodia, where the

Technical Cooperation : Equipment



1



2



3



4

1. Australia has set up a printing school at Djakarta and supplied a teaching staff.
2. Canada provided this Theratron, used for cobalt isotope cancer treatment, to India.
3. X-ray equipment for the Chest Clinic at Kandy, Ceylon, was supplied by Australia.
4. British diesel engines furnished to Nepal.
5. Britain provided mobile clinic for Laos.
6. Dental equipment for medical university at Bangkok was supplied by New Zealand.
7. Books from Australia and United Kingdom on shelves at University of the Philippines.
8. The United States provided microscopes for use of the faculty of medicine, Saigon.



5



6



7



8

U.S.A. is helping to initiate instruction in industrial skills and for which Cambodian apprentices (in general and diesel mechanics) are studying in the Philippines, Canada and the U.S.A., among other places. And at the Djakarta Printing Trades School, the only one of its kind in Indonesia, Australia is both supplying instructors and training, in Australia, the Indonesians who will ultimately take over from them. New Zealand is training a handicrafts instructor from Sarawak, Britain is providing a ceramics course to a Filipino chemistry teacher with the aim of beginning instruction in that art in the Philippines, Britain is also supplying professors and equipment for the new College for Engineering and Technology in Delhi... and so the list goes on of Colombo Plan endeavours to enable the countries of the region better to help themselves.

These skills which are learnt, either within the walls of a foreign institution or from the lips of an expert 'imported,' as it were, from another country, are all direct and material contributions to the economic development of the area, particularly when there is a "multiplier" effect through the trainee in

turn training others of his own country. But there is another benefit from this process which is not to be forgotten. Lord Casey, the former Australian Minister for External Affairs, once called the Colombo Plan technical assistance programmes "a nursery of international understanding." Each Canadian expert sent to Pakistan, returns with an intimate picture of the life and customs and aspirations and needs of the Pakistani people that he inevitably shares with his compatriots at home: his experience does more to make Canadians aware of their neighbours' conditions than, perhaps, many a lofty speech by a diplomat or the articles of journalists. Many an illusion about life in Australia or the U.S.A. is similarly dispelled when an Indian or an Indonesian student goes there for training. The friendships formed across what at first might have appeared as barriers of nationality, language, religion or race are incalculable investments in future world understanding and peace. Multiply these examples by the ten countries from which experts come and by the fifteen countries to which trainees go and you get an idea of the size of this by-product of spreading skills. And that is

CHART I

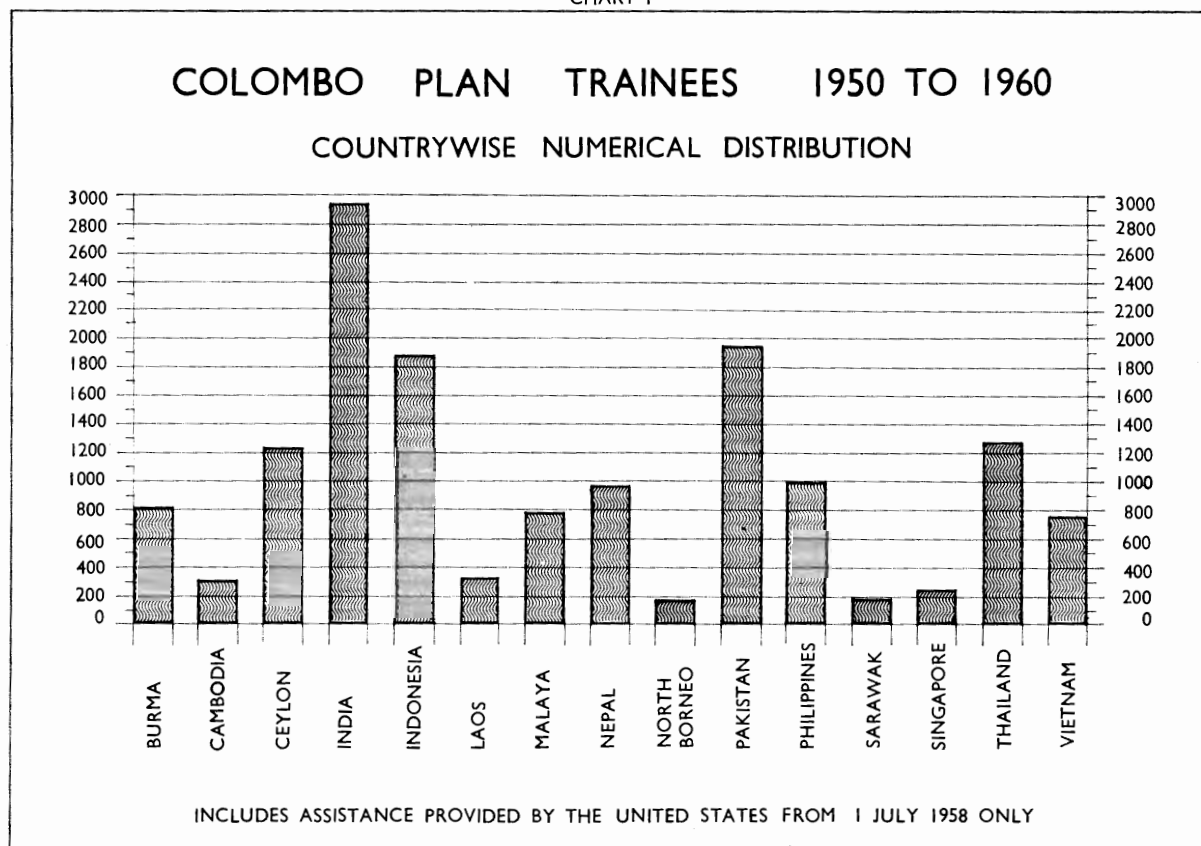
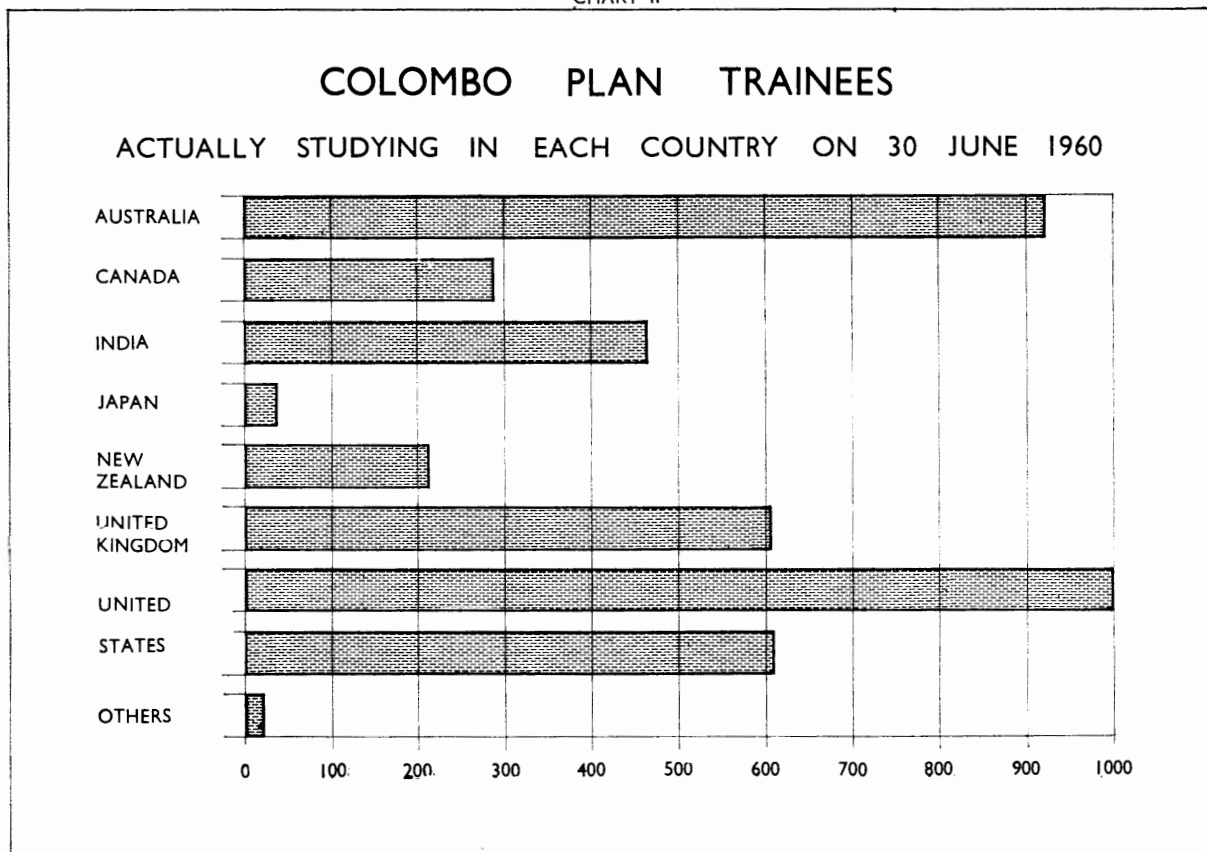


CHART II



one reason why the intra-regional training programmes which the Colombo Plan is doing so much to develop are valuable. They augment the awareness that the Philippines, Vietnam and Ceylon are not developing in isolation but in concert with growing friendly neighbours whose experience they can learn from and to whose renaissance they can contribute.

What about capital aid? When the development programmes of the founder-members of the Plan within the region were studied at the London conference in 1950, it was estimated these seven alone would need to spend almost £1,900 million (US\$5,250 million) on their programmes over the first six years, representing about £315 million (US\$875 million) a year. Today it can be calculated that in the first ten years of the capital assistance part of the Colombo Plan (ending in June, 1961), all the countries of the region, including those not originally members of the Plan, will have spent something like £9,500 million (US\$26,500 million) under development heads in their budgets—representing about £1,600 million a year (US\$4,450 million), on average. That is a considerable difference from the original estimate, even allowing for the countries, that joined subsequently. The

officials who considered the question at the London conference in 1950 concluded that some 45 percent of the cost of the development programmes would have to be met from outside sources.

In fact, the capital assistance given by all the 'donor' countries to all the Colombo Plan region and spent by them during the same ten years will, on a rough estimate, have totalled about £2,250 million (US\$6,300 million)—almost a quarter of the actual spending on new development by the countries of the region. One in four of the £ or \$ spent on new development in the region has come from the Colombo Plan donors directly. This is not a bad record, although it by no means allows of complacency on the donors' part, since the capital needs of the area are now growing very fast—partly because development itself creates new needs and possibilities, and partly because the Colombo Plan technical assistance programmes have built up the reservoir of men capable of translating money or machinery into dams, roads, factories and so forth.

But this admittedly very rough and ready calculation does highlight one fact, that external aid under the Colombo Plan is by no means the principal

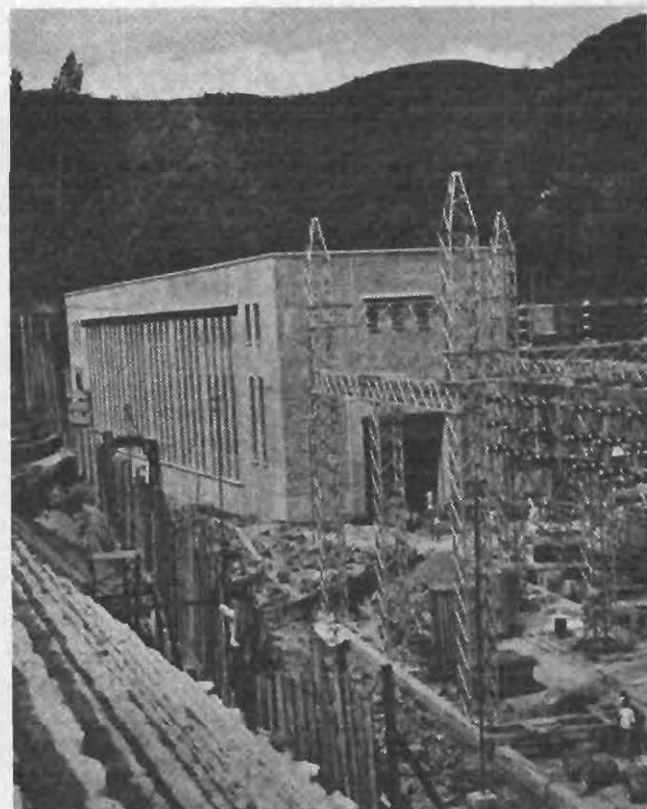
element in the region's development, and is rather a stimulus to the efforts and savings of the emerging countries themselves, and a means whereby these can be put to more effective use. The question is sometimes asked: 'are these countries becoming permanent pensioners of the capital-exporting nations, or is their external aid hastening the day when they can stand on their own feet?' The Colombo Plan has no doubts on this score: its efforts would be regarded as having miserably failed if the entire region does not attain the self-generating or "take-off" stage of its development in the shortest possible time.

Durgapur and Kundah

At Durgapur, the Indian steel complex already described, this supplemental character of external aid comes out very clearly. The British Government supplied only about one-seventh of the financing required: private British banks furnished a rather similar proportion, but the Indian authorities themselves raised the greater part of the money needed. Another example is the tremendous Kundah hydro-electric project in the southern State of Madras, the biggest power scheme undertaken within India's Second Five-Year Plan. Four dams have been constructed to trap the falls in the Kundah River during its early courses through the Nilgiri hills and already some 80,000 kilowatt have been added to the State Grid from their associated powerhouses. In 1956, when the final plans were being made for this, a shortage of foreign exchange was experienced and Canada agreed to provide £7 million (US\$20 million) in equipment and machinery, which was later supplemented to provide transmission lines. But India raised two-thirds of the total cost herself (and, into the bargain, used cheap and locally-developed methods of construction that impressed the Canadians and gave them some new ideas for meeting this kind of technical challenge outside a Canadian environment).

Kundah and Durgapur are both giants in their field. But the same point could be made with thousands of factories, dams, schools, hospitals, reservoirs and roads all over the area, some big, some small, but all built in the past ten years under Colombo Plan co-operation. As with technical assistance, the agreements for capital aid are all bilateral. Only the two Governments concerned are signatory to them. Let us trace a hypothetical project, briefly, through a typical Colombo Plan history. In Delhi officials of the Indian Planning Commission and of such Government Departments as the Ministry of Finance as well as of State Governments will at a series of meetings discuss the coming phases of their current Five-Year Plan. They may agree, shall we say, that in the course of a projected electrification scheme in a certain part of

India the installation of an agreed quantity of transmission lines will become necessary at such-and-such a time. The sources for financing are considered, and it is finally agreed that foreign assistance should in part be sought. A Department of the Finance Ministry then has a proposal formally prepared, with full supporting facts and figures on the importance of the lines, the part they will play in the overall development of the area and so forth. This Department, whose sole responsibility it is to negotiate with foreign countries on these matters, may decide that this is the kind of equipment which Canada has in the past been willing to supply, and an approach is made to the High Commission for Canada in New Delhi, which will in turn have an officer specialising in this kind of work. The project will be discussed by the Canadians first in New Delhi and then at the headquarters of the various Canadian Government Departments involved. It is Canada, and not the Colombo Plan organisation, that plans and implements its external aid. The Canadian Parliament will have voted an aggregate amount to be devoted to Colombo Plan capital aid, and the officials will now decide whether or not to support this particular Indian proj-



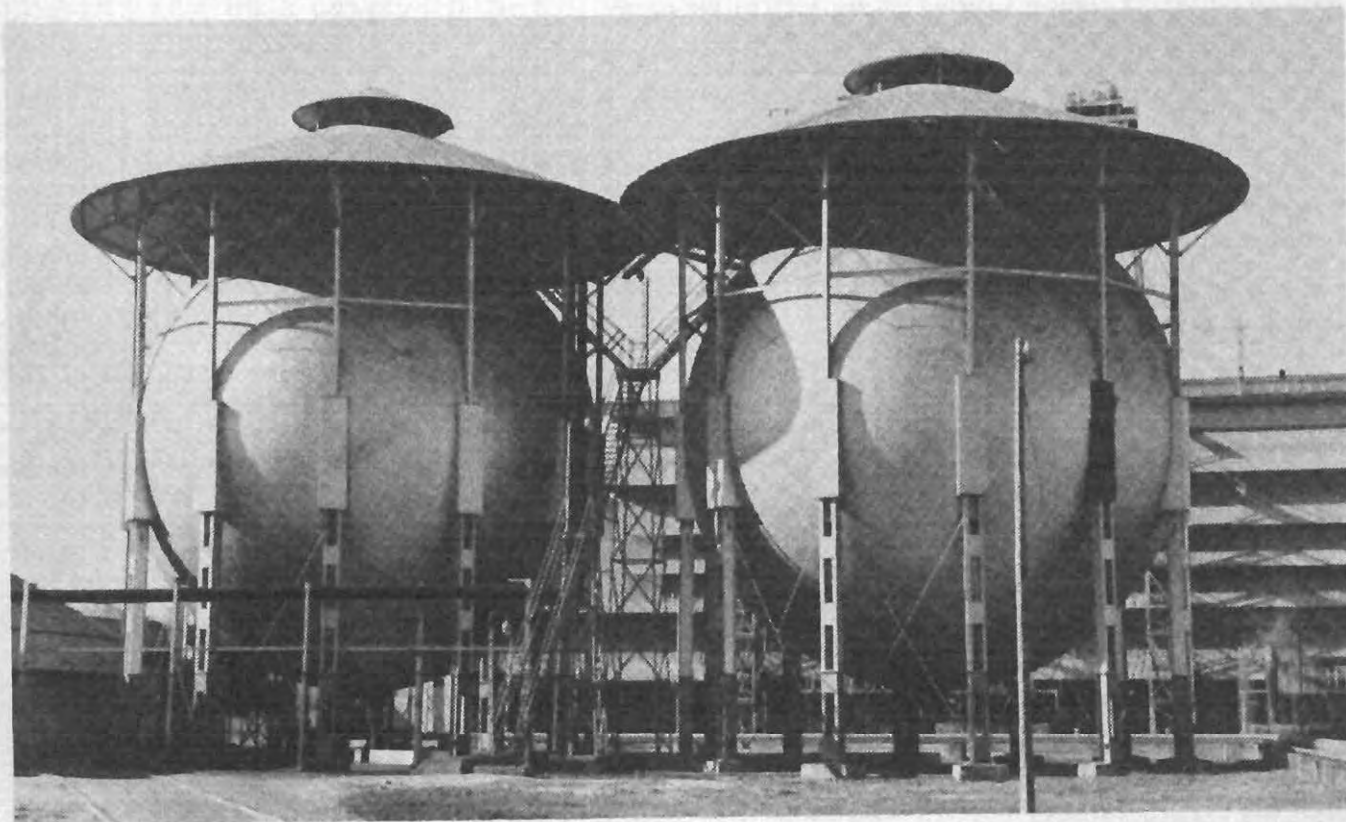
Kundah hydroelectric project, the largest in Madras State, India. Built with aid from Canada, it will generate 395,000 KW.

ect out of that budget. The process is at all points highly flexible. It may ultimately be decided in Ottawa that this is the kind of development project which Canada would like to support, and agreement is reached. A Canadian company is chosen to supply the equipment and the ensuing discussions are entirely on a business and technical level. When everything is agreed, a record of the fact will be sent to the Colombo Plan Bureau. Another Colombo Plan project has been set in motion.

This, then, is how the Plan works. These are the ways in which it approaches the development challenge, the challenge of more food, more industries, more power, more schools, more doctors. . . . How far has it met that challenge in these first ten years? This is a time for stocktaking, and that is precisely what the organisation is now doing. Living conditions have perceptibly improved in the area in the ten years since 1951, although much that has been gained in total has been offset by the staggering increases in population. When the Colombo Plan was first formed, it was believed that the population of the region would increase by about $7\frac{1}{2}$ million a year. By 1953, it was realised that the figure was nearer

8 million, and today it is clear that the additional mouths to feed have numbered some 10 million a year over the past decade—another fourteen Ceylons have, as it were, been added to the region in ten short years. It is as if another dozen Greater Calcuttas have been dropped in India's lap alone since 1951.

The work of the Colombo Plan has itself contributed to the improvement in health standards throughout the area—which in turn has brought about a dramatic fall in the death rate: in countries like India and Ceylon this is now about 10 per thousand compared with 16 or more per thousand ten years ago. Fewer people are dying because of the progressive eradication of disease and better medical facilities. Yet the birth rate shows no significant drop, and the result is a swelling population of new mouths to feed—or new hands to put to work. Pessimists see in this a threat to cancel out the prospects for a better life that the economic development efforts are creating. To the Colombo Plan partners it is a challenge to create the conditions now in which the greater populations of the future will be able to find productive employment and something more than the bare necessities of life.

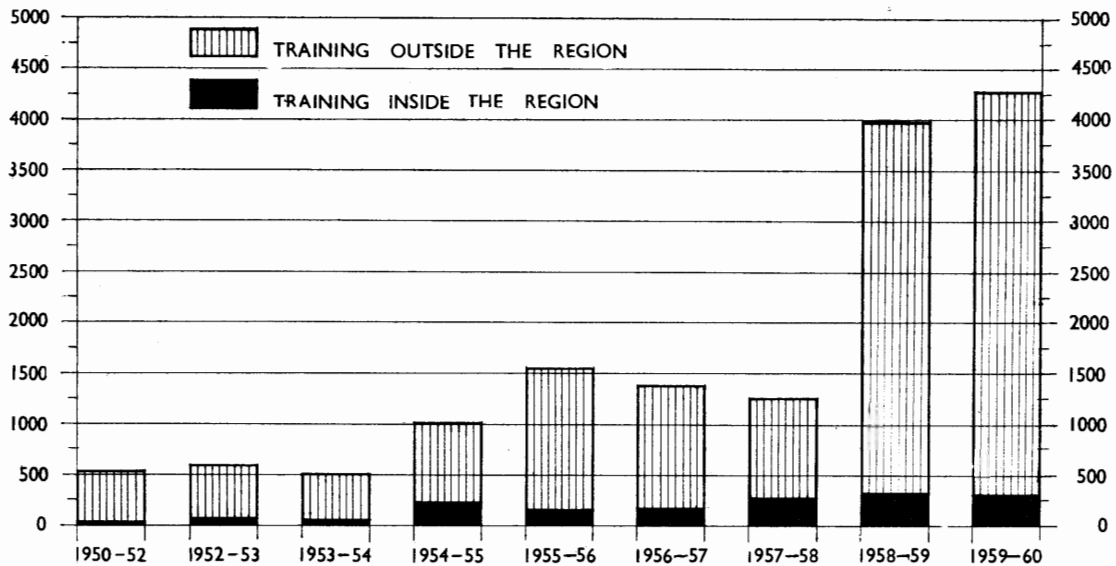


Spheres for storing liquid ammonia at the Sindri Fertilizer Factory, Sindri, India.

CHART III

TRAINING OUTSIDE THE REGION & INSIDE

JULY 1950 — JUNE 1960



INCLUDES ASSISTANCE PROVIDED BY THE UNITED STATES FROM 1 JULY 1958 ONLY

In the result the prosperity of the average inhabitant of the region has increased only slightly. The income per head of each of these 720 million people now stands probably at around £25 (or US\$70 a year, compared with £21 10s. (or US\$60 a year ten years ago. The gain of one shilling and five pence a week when your income per head—man, woman and child—is barely ten shilling a week may seem meagre, as of course it is. But at least it is an improvement, and at least the region is today far better prepared for economic growth than it ever was before. Some of the things that have been done are of a longterm nature and will not show any direct personal benefits for the ordinary man for several years. India, for example, has doubled her rate of investment in development during these ten years. Yet the national income (the amount of goods and money that the community of Indians as a whole earns) rose by only 40 percent in the same period. The balance of the effort of that decade will begin to pay off in the years to come, and India hopes to reach what has now come to be called the “take-off” stage, when her development will become self-generating and no longer dependent on outside help, by about 1971—ten years from now.

Take a look at the Indian achievements in these past ten years. India's farmers increased their food grain output by almost 33 percent. The expanse of irrigated land grew from 51 million acres to 70 million. The amount of electricity generated trebled, and the production of finished steel this year will be about 2½ times what it was in 1951. There are 41 million students in school instead of 23 million. The intake of engineering and technical students at degree level has tripled, and at diploma level the figure has quadrupled. There are about 84,000 registered doctors in India today against only 59,000 ten years ago.

These are some indicators of India's economic growth in the first decade of the Colombo Plan's life, although there are other sectors where progress was not so marked. India started from an unusually low level of poverty, but this handicap has increasingly been outweighed by the existence of an unusually well-equipped and efficient administration.

The same sort of account of the decade's record of progress could be made in the other countries of the area. Pakistan started the decade still battling with the problems of a new state carved for the first time out of pre-partitioned India only four years before.

Learning the Know-How



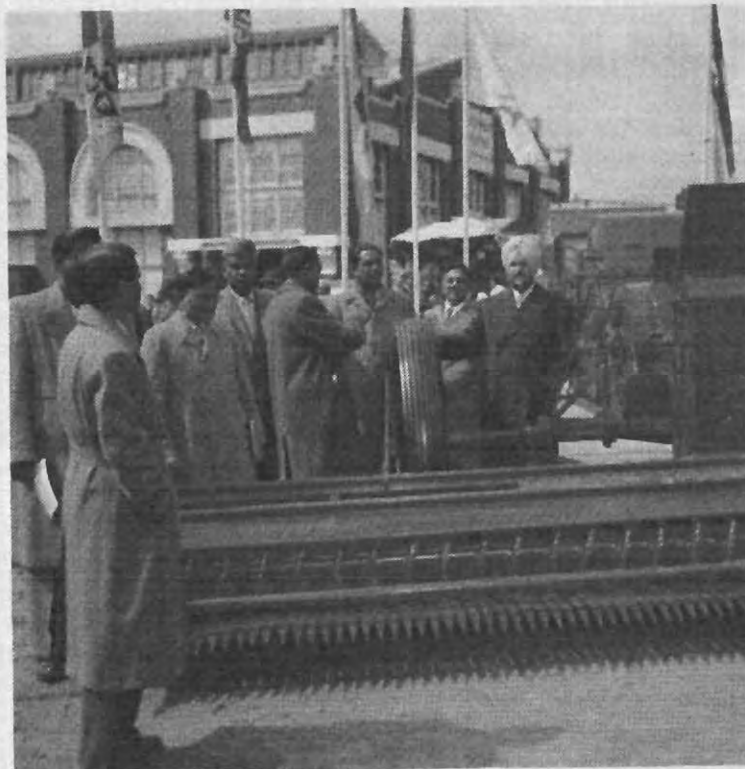
Students from North Borneo and Thailand receive training as dental nurses in New Zealand school.



Ceylonese agricultural research officer at the plant breeding station, University of Wales, United Kingdom.



Japanese shipbuilding methods are observed by group of Colombo Plan trainees from Indonesia.



Members of a party of Indian farmers who toured Australia under the Colombo Plan inspect agricultural machinery at show in Sydney.



Two students from the Philippine Republic participate in experiment at Chesterford Park Research Station Optical Laboratory in Britain.

Yet in these ten years the production from her factories has increased by 500 percent. In the six years from 1951 to 1957 her power stations increased by more than four times the amount of electricity they generated, from about 230 million kilowatt-hours to about 940 million. Her textile mills in 1951 turned out about 120 million metres of cotton cloth, while in 1959 they produced no less than 580 million metres—more than five times as much. Between 1951 and 1959 railway freight carried rose by 50 percent, from about 5 million ton-kilometres to about 7½ million. And so on. . . . In certain fields progress was not so startling: agricultural production, for example, did not register gains of the same order. But these achievements give some idea of the results of the development efforts that have been made.

In Indonesia the farmers raised their output of all crops by about 9 percent between 1953 and 1959—while the increase in food crops alone was 19 percent. Their paddy rice production averaged at 9.4 million tons in the period 1948-52, while in 1959 the figure had reached 12.3 million. One of Indonesia's principal earners of foreign exchange, oil, also showed great improvement, output growing from about 7½ million tons in 1951 to almost 19 million tons in 1959—two and a half times more. The peculiar importance of civil aviation for Indonesia has already been mentioned: in 1951 her civil aircraft performed an average of about 440,000 passenger-kilometres a day, while in 1959 this level had been increased by more than

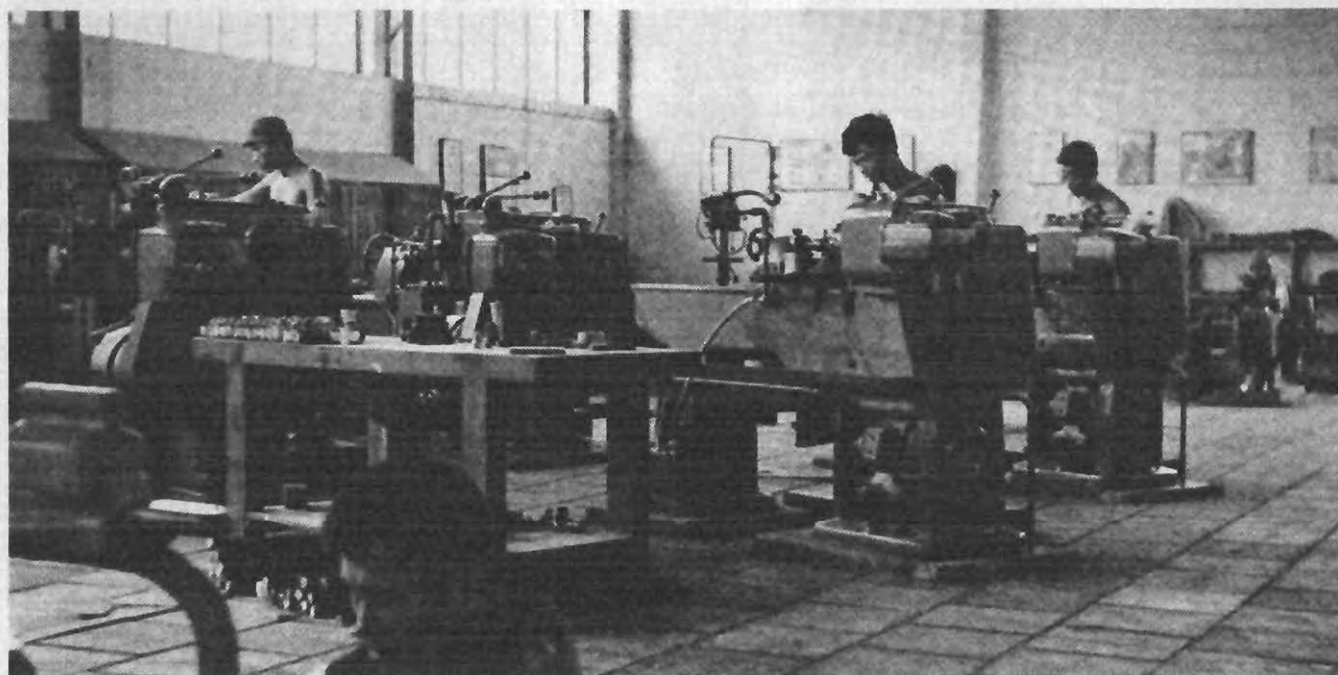
50 percent to almost 700,000 per day. Once again there were other parts of the economy that did not do so well as this, but the examples cited offer some indication of the progress gained.

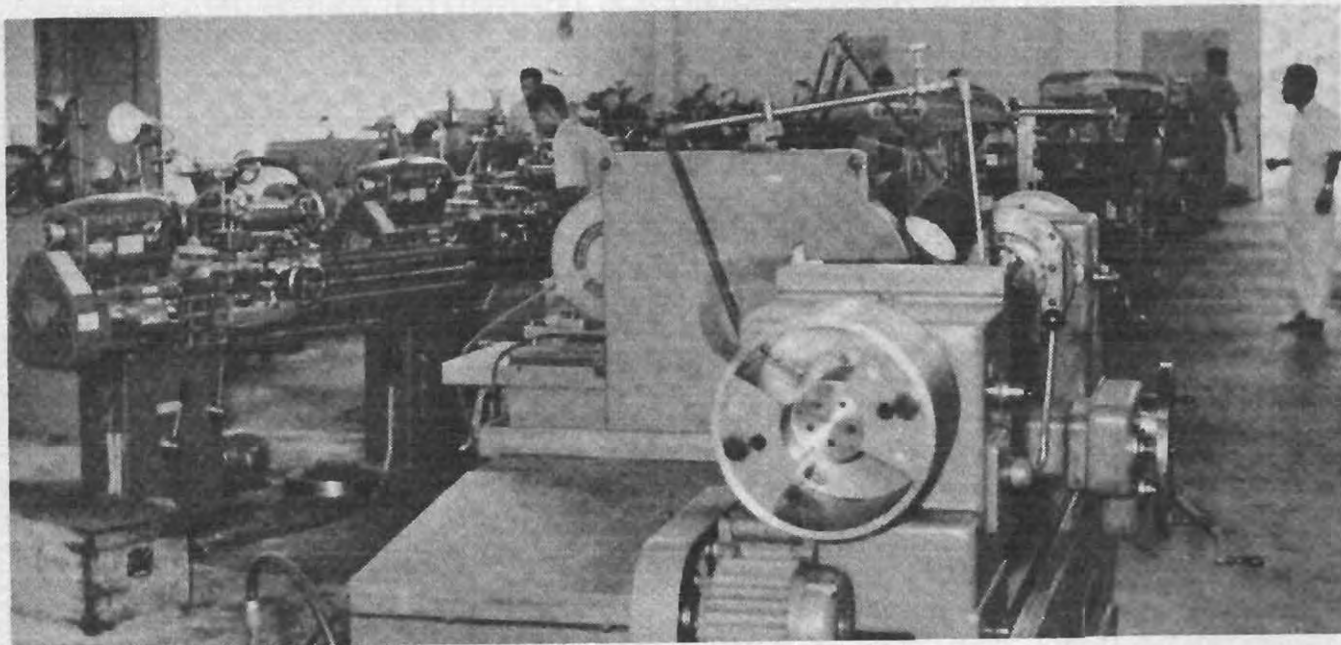
Dangers of Dependence

Thailand has traditionally depended very largely on rice for her livelihood, and paddy farmers have maintained a high rate of production. But the Thai Government, aware of the dangers of dependence on a small number of products in a changing world market, has had considerable success in developing new crops—maize, for example, in growing world demand for feeding livestock and other uses, has been boosted from the 30,000 tons that were being harvested at the beginning of the decade to the record figure of 280,000 tons (nine times greater) in 1959. From 1953 to 1959 the output of rubber plantations almost doubled, from about 97,000 tons to 175,000 tons. More recently the foundations have been laid for a sound development of industries as well.

Burma, next door, is in a similar position of traditional dependence on a few single crops or forest products. Burmese rice farmers at the beginning of the 1950's were producing about 5.5 million tons of paddy a year: in the 1959/60 season a total of 6.9 million tons was harvested. Now crops such as cotton and jute are also being encouraged, and the groundwork is being laid for the creation of a new

Apprentices at work at the school of the Royal Cambodian Railways, which has been assisted with equipment from Australia.





The Vocational Training Center at Bandung, Indonesia.

industrial range of activity. In the educational field the Government's primary, middle and high schools catered in 1959 for no fewer than 1,833,000 pupils—compared with only 730,000, well under half that number, in 1953.

Malaya is also vulnerable to change in the world's demand for rubber and tin, which has fortunately increased fairly steadily in this period. The output of the rubber plantation workers in 1959 reached 696,000 tons, representing a more or less complete recovery from the low point of 1953 when the fullest effects of wartime interruption of the replanting process were felt. But other agricultural crops were actively encouraged, and a great number of new industries manufacturing various kinds of consumer goods from shoes to cement were started. In 1951, daily electricity generated and used was about 1.9 million kilowatt-hours; by 1959 it was already 2.5 million, with the promise of more from the two new power plants opened in that year and the Cameron Highlands scheme now under way.

Industrial Growth

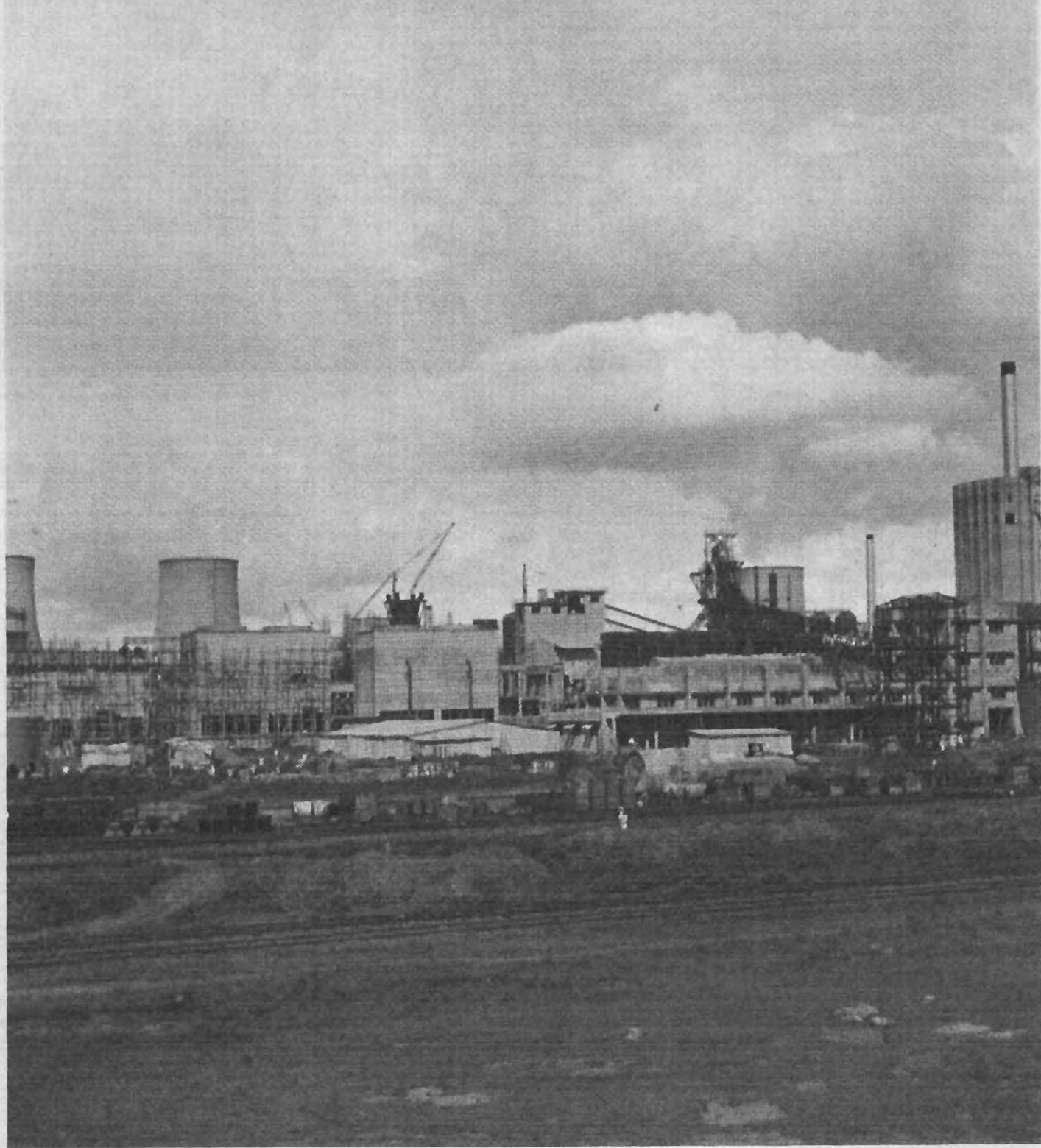
In Vietnam the rubber plantations produced in 1959 about 75,000 tons, almost exactly twice the total for 1951. The sugarcane cut in 1959 was 824,000 tons, against only 520,000 tons in 1955, four years earlier. Industrial growth is now making a good start, and strides have been taken in social services and transportation.

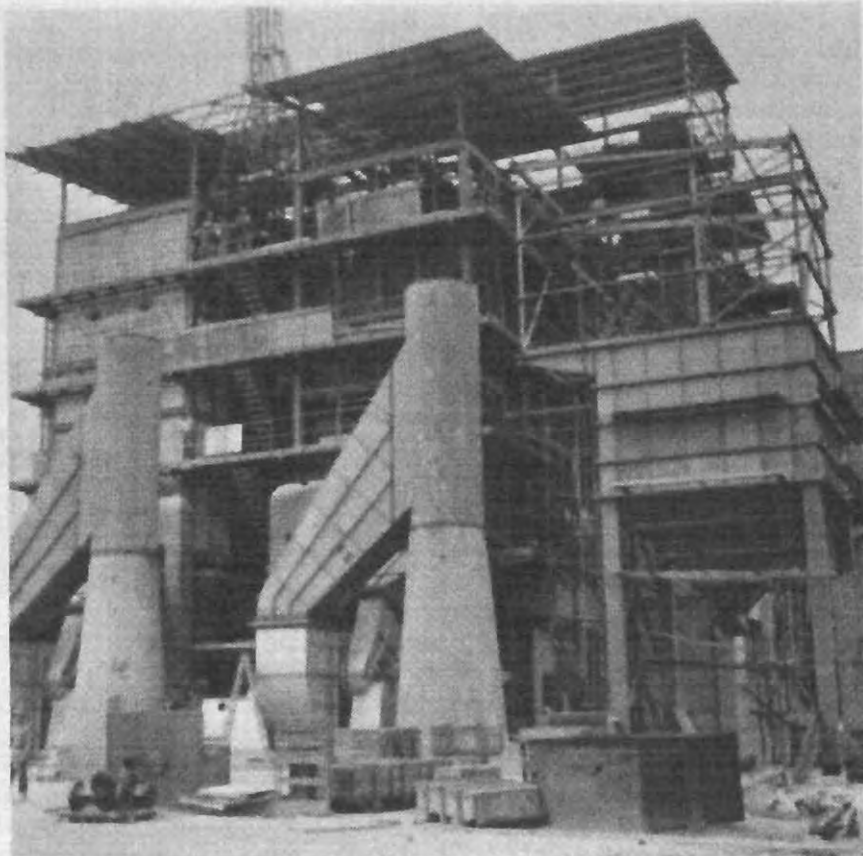
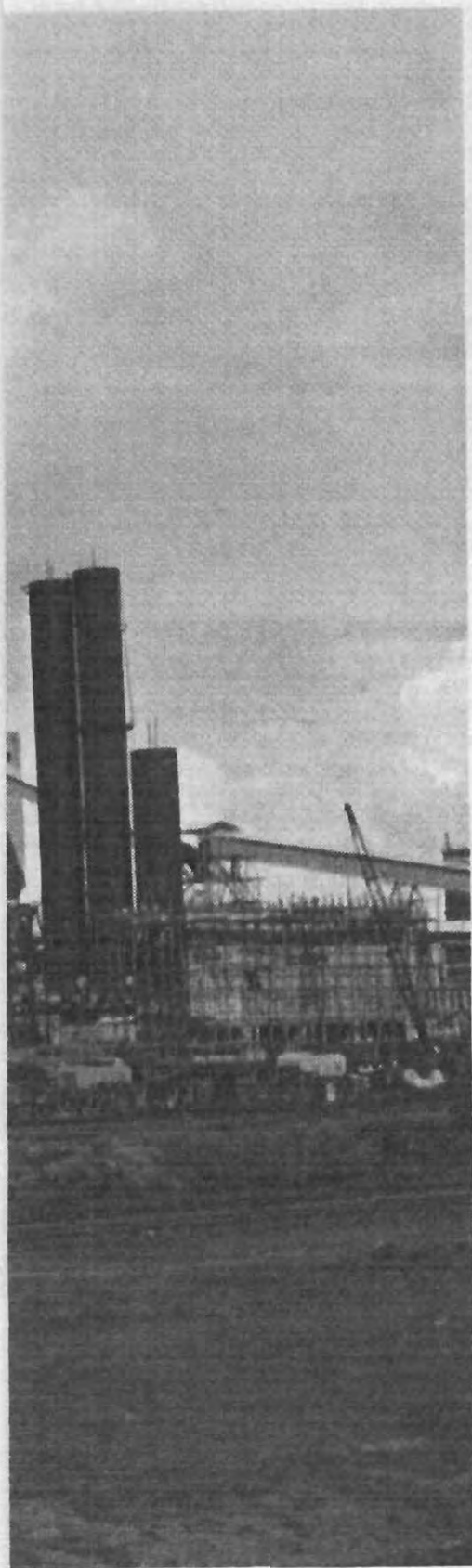
Manufacturing production in the Philippines almost trebled in value between 1953 and 1959. The output of paddy went up by about 50 percent between 1951 (2.6 million tons) and 1959 (3.7 million tons). Sugar, the chief export crop, also improved by about the same proportion, reaching 1.4 million tons in 1959 compared with only 950,000 tons in 1951.

These are only a few random illustrations of the development achievements of these ten years. In Ceylon, in Nepal, in Cambodia, in Laos, in Singapore, in Sarawak and in North Borneo the same kind of story can be told. A story of patient and persevering—and perceptible—change in the social and economic fabric. Change in the teeth, sometimes and in some places, of conservative tradition; change in the face, sometimes and in some places, of apathy and despair; change in spite of political and social turmoil (and sometimes of terrorism and disorder)—but unambiguous, unchallengable change. Enough to mean a discernible improvement in the people's life, but, more importantly, a ground for hope for them of more to come and the assurance of the friendly cooperation of the Colombo Plan partners.

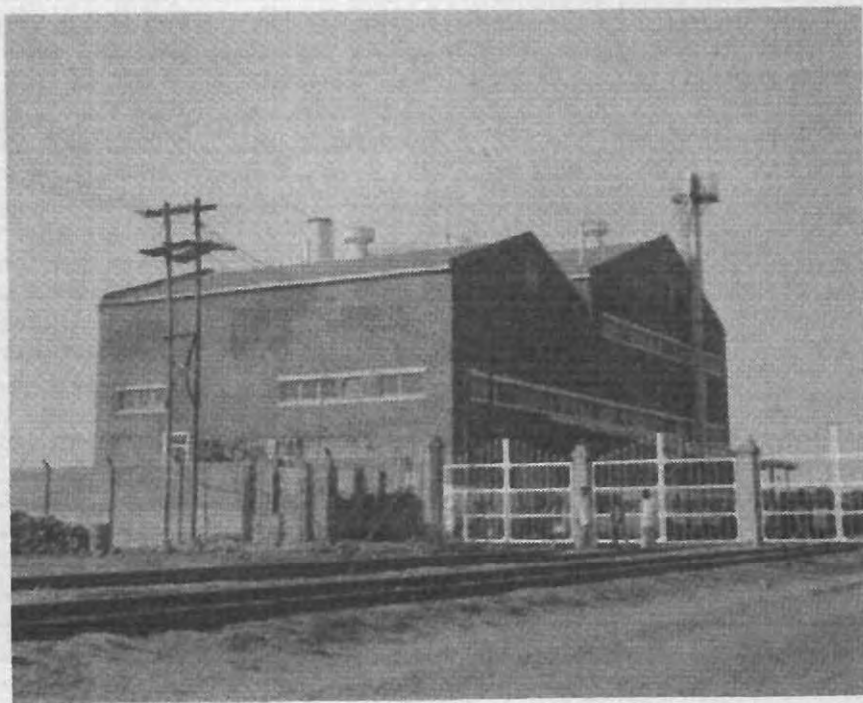
The Economic Commission for Asia and the Far East (usually known as ECAFE, as the United Nations body concerned with the affairs of this region, compiles indices of agricultural and industrial production and of trade for the countries within its membership, and these offer further evidence of the general progress of the region—which broadly corresponds with that of the Colombo Plan, the principal

Moving Towards Higher Standards of Living





Above, Mae Moh lignite thermal power plant, which has been assisted by Australia.
 Left, steel works at Durgapur, West Bengal, India, assisted by British enterprise.
 Below, Power house of the Ganges Kobadak project situated in Pakistan.



difference being that the following figures include Japan. According to the ECAFE Secretariat, agricultural production in the region went up by about 16 percent between 1952 and 1958 and industrial production almost exactly doubled in the eight years between 1951 and 1959, mining industries output rising by 50 percent and manufacturing industries by some 130 percent in those eight years. In the same eight years railway passenger traffic went up about 50 percent, and so did electricity generation. The volume by weight of exports rose about 40 percent and imports by something under 30 percent. Even allowing for the large contribution which the forward march of Japan must have played in these regional calculations of ECAFE, they still provide some measure of the changes that have been brought about in the Colombo Plan region.

No Exclusive Instrument

Some of these changes, indeed a great many of them, would have occurred in the absence of any Colombo Plan, which does not at all claim to be the exclusive instrument of economic advance in the area. What it has done is to have supplied an orderly and smooth international framework within which the existing forces of change could be harnessed in co-operation and the maximum effect accorded to them. The modest but sure progress of the area in these ten years would have been rather more piecemeal, rather more uneven and rather less in volume without the good offices of the Colombo Plan.

Let us look now at some of the concrete ways in which the Colombo Plan has made its contribution. Agriculture, as the primary activity of the region, deserves to be taken first, and the so-called "Commonwealth Farm" at Thal in West Pakistan provides an excellent first example. The Thal is the name given to a 5 million acre expanse of land between the Jhelum and Indus Rivers into the West Punjab that had for centuries given its inhabitants a precarious living from sheep and goat rearing. Wanting to increase the country's agricultural production and provide living space for the increasing population, the Government earmarked about 2 million acres of the area for development at a cost of about £22½ million (US\$63 million). It was first to be irrigated, then roads would be constructed and finally new residents would be settled there. Their newly-won fruits from this would amount to £7 million a year (US\$20 million) from cotton, oilseeds and other crops. Nine hundred new villages would be constructed to house 250,000 new settlers. The new arrivals were given numerous facilities to enable them to make their new holdings economic and paying, and this depended in part on their grasp of modern agricultural methods



Bucket wheel excavator at the Nyveli Lignite Project, Madras, India, assisted by the United Kingdom and the United States.

and techniques. Among other things, a model livestock farm was needed.

It was at this point that the Colombo Plan stepped in. A New Zealand grant of £50,000 enabled the authorities to purchase refrigerating plant and other machinery. Up to the end of 1959 Australia had provided a windmill, livestock, tubewell pumps, meteorological and sheep station equipment, visual aid and veterinary gear to the value of some £62,000 (US\$170,000). Eleven Australian experts were also sent to this livestock farm near the village of Ghulam, about 200 miles from Lahore, to instruct the settlers in the use of the equipment. Canada provided another £70,000 worth (US\$200,000) of agricultural machinery and other equipment. And when the Thal Authority set up an Agricultural Machinery Agency to popularise mechanisation among people used to more primitive methods, the U.K. arranged for six tractor operators to be attached to the Nuffield Universal Tractor Service School and the Caythorpe Court Farm Institute in England. No wonder the farm acquired its name of "Commonwealth Farm."

Like Switzerland, a land which it in many ways resembles and to which it is often compared by visitors, the Kingdom of Nepal is well situated for the development of a dairy industry. It was in fact a Swiss expert that the Food and Agriculture Organisation (FAO for short) of the United Nations sent as early as 1953 to help the Nepalese authorities to begin the production of pasteurised milk and to improve the local manufacture of *ghee*, a milk product exported to India where it is popular as a cooking fat. New Zealand, more than 8,000 miles away from

Nepalese Himalayas, is also a dairying specialist and under the Colombo Plan she has provided assistance to Nepal in this field. A central dairy was built in Kathmandu, the capital, and two rural milk collection centres at Tushal and Kharipati. Today two small cheese factories have also been constructed in the mountain valleys and are making *yak*-milk cheese for the Nepali market as well as for export to India. The first New Zealand grant of £20,000 helped this development to reach a stage where local milk could be marketed on a commercial scale; the second of £30,000 has enabled the Nepalese to complete their additional outlying collection centres and also to purchase milk treatment machinery.

Australia, Britain and others have helped from time to time in dairying projects at various places in the region, but New Zealand has made such a speciality of this kind of assistance that it is worth taking a glance at one more scheme, this time in New Delhi. The Indian Government inaugurated a £2½ million (US\$7 million) scheme to colonise cattle from the city in nearby rural areas, procure milk from villages through thirty collection and chilling centres, establish a dairy to process and bottle large quantities of milk and its products, distribute to the public through a thousand sales depots and set up a statutory board to manage the entire enterprise. Land for the dairy was acquired near the Patel Nagar railway station. New Zealand supplied a dairy management adviser, and subscribed £800,000 towards the cost of the scheme. The Indian dairy superintendent went for training to New Zealand. New Zealand has provided

assistance with many other dairy projects in India.

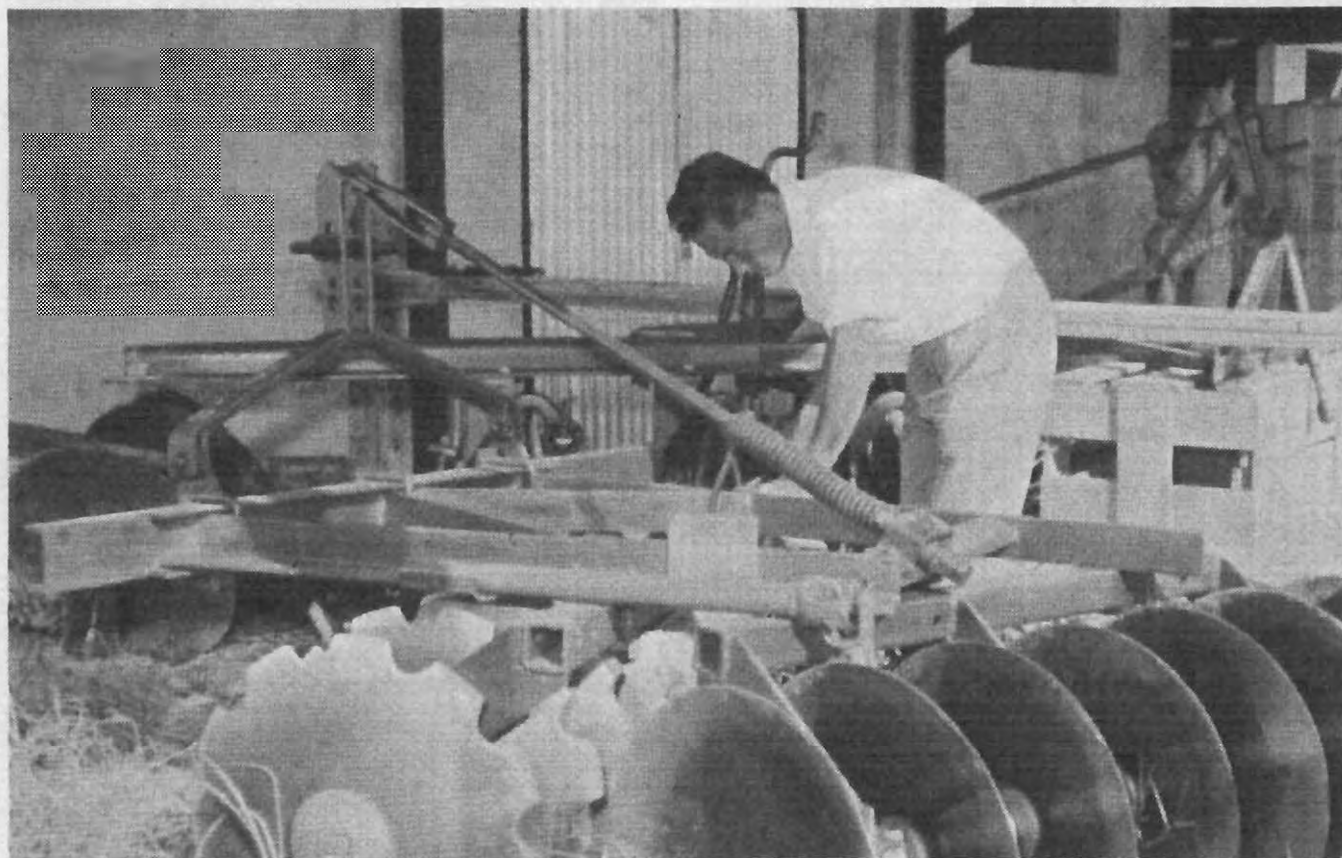
These are samples of individual agricultural projects in which the Colombo Plan has had a hand. Before going on to another field, let us try to cast a bird's eye view, as it were, over the whole range of farming improvements in a single, smaller country and get some idea of the many points at which the Plan lends its assistance. Ceylon's problem is not unique: it is to increase production by raising productivity, exploiting new ground and introducing new and more diverse crops. Much depends on the development of the so-called 'dry zone' in the eastern and north-central parts of the island—sparsely inhabited country from which malaria has finally been eliminated. One of the largest projects is the Gal Oya Scheme, now in operation for nearly ten years. More than seven thousand families from overcrowded areas of Ceylon have been settled on 40,000 acres of former dense woodland which have been cleared for cultivation and made suitable by irrigation for paddy growing. On the other side of the river, a further 9,000 acres are being cleared for sugar cultivation and already 9 new villages are in existence and the first sugar has been harvested and ground. This is Ceylon's largest development project since her independence, and most of the cost and effort have come from the Ceylon Government and people. But the Colombo Plan has helped. Lift irrigation equipment, trucks and agricultural machinery were supplied by Canada at a cost of £92,000 (US\$258,000), while Australia also supplied agricultural machinery and equipment to a value of £61,000 (US\$171,000). To en-

The Tilawa Barrage at Birganj, Nepal.





Vocational and technical education in the Philippines.



Modern agricultural methods in North Borneo.

sure the supply of young men capable of undertaking the practical work required, the Gal Oya Board set up a Technical Training Institute which has received equipment worth £17,500 (US\$49,000) from the U.K. and whose buildings are now being extended with financial assistance from the U.S.A. Gal Oya's own hydro-electric power supply is now being linked with the national grid by lengthy transmission lines over dense jungle, and Canada is contributing £577,000 (US\$1,600,000) and the services of experts for this latest step.

Australia has trained Ceylonese in animal husbandry extension methods and large-scale poultry farming for a big poultry development project also at Gal Oya. Australia also helped pay for the rehabilitation of ancient tanks in the dry zone—partly with flour, the proceeds of the local sale of which were used to pay for the local costs of the work. Another batch of Australian flour was similarly sold and the money used on a new Rice Research Institute. Australia also gave over 200 agricultural tractors and heavy duty trucks, which with ancillary equipment supplied subsequently represented about £480,000 (US\$1,350,000). New Zealand contributed money for the restoration of irrigation tanks and the extension of cultivated land in the dry zone and to help a dry farming research station at Maha Illuppalama, about 120 miles from Colombo, which is seeking means of making the dry zone productive. Canada gave four batches of pest control units worth about £21,500 (US\$60,000). Meanwhile about £18,000 worth (US\$50,000) of Canadian flour was sold to help meet the construction costs of a building for the agricultural faculty of the University of Ceylon to house equipment previously supplied.

Cooperation

The Ceylon Government runs several agricultural farm schools: Australia has supplied Principals for two of them and Britain has trained nineteen lady teachers. Australia also furnished hatching eggs, an electric breeder, two winnower-thresher machines and an X-ray unit for the University's veterinary science department. Canada further gave £120,000 worth (US\$340,000) of equipment and tools for ninety-three District Station workshops and another amount for farm machinery maintenance—in addition to training nine Ceylonese in this connection. Britain also trained two Ceylonese officers in the much-needed art of machinery use and servicing, as well as twenty in crop protection techniques and one in agricultural statistics. India sent a potato expert for two visits to Ceylon, and trained three Ceylonese in the cultivation, curing and storage of red onions. Finally, with the Government anxious to promote the



Gal Oya Reservoir in Ceylon, an irrigation and power project assisted by Australia, Canada, United Kingdom and United States.

use of Japanese methods of cultivating rice, Japan sent two experts to Ceylon and accepted two officers for training in this as well as three others in mechanisation, crop protection and poultry management.

This rather piecemeal passage does not, naturally, exhaust the story of Ceylon's attack upon her agricultural problem. But it does illustrate how in so many individually minor but collectively crucial ways Colombo Plan machinery assists.

The Gal Oya scheme in Ceylon shows how agricultural improvement, resting so often on more irrigation and flood control and therefore on the damming of rivers, is associated with the generation of more electric power. The Warsak scheme, on which Canadian and Pakistani engineers and labourers toiled in the shadow of the Khyber Pass in northwestern Pakistan, has already been described, and so has



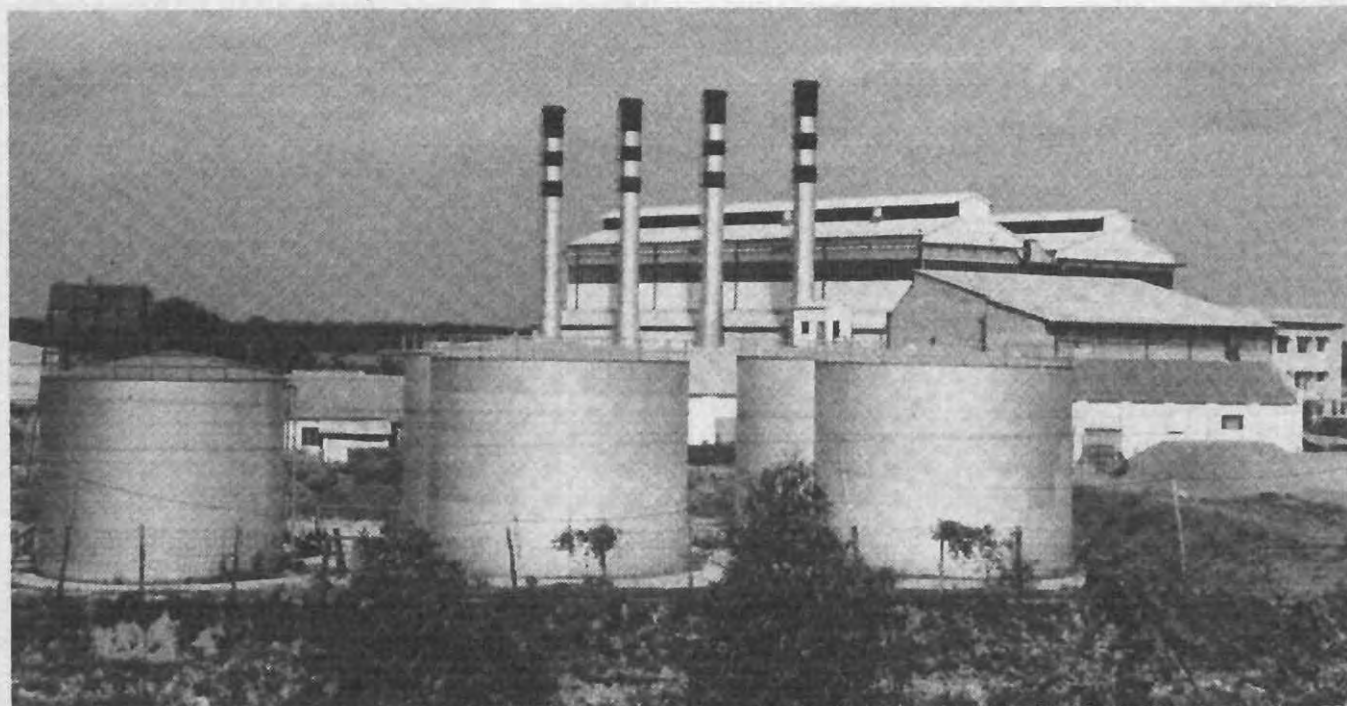
Katubedde Technical Training Institute near Colombo, established by Canada has a planned intake of 500 students.

the Kundah project of similar magnitude in southern India. Let us take a closer look at one more of these giant multi-purpose projects. Thirty miles upstream from Chittagong, the fast-growing port for East Pakistan on the Bay of Bengal, in the heart of tropical forest that is the hunter's paradise, a £33 million (US\$92 million) dam with ancillary structures is now reaching completion. Thousands of men have been working round the clock to harness the Karnaphuli River at Kaptai; when complete the project will not only supply needed power for the province's industrialisation but will help to control floods and extend and improve navigation. The U.S.A. helped to finance this project, and American and Pakistani engineers are co-operating to build this monument to Pakistani development and to international partnership of the sort that the Colombo Plan typifies. The U.S. Development Loan Fund extended a loan of over £6 million (US\$17½ million) and the International Co-operation Administration has provided another £7 million (US\$19½ million) in project assistance. Pakistani engineers have been trained in the U.S.A. and elsewhere in readiness to take over the operation of the power plant when complete. As one of them has remarked, in spite of all the difficulties that at the beginning seem almost insuperable, when two partners really bend their efforts together in this way, "mother nature happily bows down to them."

Pakistan has its Warsak and its Karnaphuli, Ceylon its Gal Oya, India its Kundah. Almost every country has one large power or multi-purpose project that grips the imagination in the magnitude of its undertaking and in the measure of its benefits to the people. In Burma the Balu Chaung scheme and in Thailand a number of plants, the largest of which perhaps is that at Yanhee, fill this role. The Yanhee thermal power plant is being helped by a credit of £5 million (US\$14 million) from the U.S.A. Export-Import Bank, and even larger amounts have been loaned by the Development Loan Fund of the U.S.A. for the electricity distribution system in the Bangkok area which will, in part, carry power from Yanhee. Closely associated with this work in Thailand is the exploitation of lignite deposits, for which Australia is supplying mining plant worth about £90,000 (US\$250,000). The Yanhee plant will eventually serve most of the northern and central provinces of Thailand with power.

In Vietnam the two big projects in this sector are the vast Danhim dam and multi-purpose project, being constructed with the help of Japan under the War Reparations Agreement between the two Governments, and a new thermal power plant at Thu-Doc, just north of Saigon, which is being financed as far as the foreign exchange needs are concerned by a £4½ million (US\$13 million) loan from the Development Loan Fund of the U.S.A. These two schemes between

Shiddirganj power station, Narayanganj, Pakistan.



them will supply virtually all the power needs of the Saigon-Cholon area within a few years. Electricity demand in this highly concentrated urban area has been growing recently at the rate of almost 14 percent a year, and a considerable industrialisation programme including cement, steel, fertilisers, paper and electrical goods is planned by the Government to utilise the fruits of the two big new power plants.

The list of glamorous dam or multi-purpose projects of this kind could be extended considerably. Djatiluhur in Indonesia, Ambuklao in the Philippines, the Cameron Highlands in Malaya, Mangla in Pakistan and Bhakra Nangal, Hirakud, Damodar, Rihand and Koyna (to name only a few of the remaining Indian ones)—each of these is worthy of full description. But power generation, flood control and irrigation are, after all, only one aspect of economic development, albeit an important one, and it would be misleading to give them too great a prominence. Let us finish with a rather smaller one that has an additional interest in that it is one of the few examples of mutual capital aid between the countries of the region themselves—and therefore of the ultimate objective of the Colombo Plan.

Land-locked State

We have seen that the Kingdom of Nepal resembles in many ways the similarly mountainous and land-locked state of Switzerland. And the same reasons that pointed to dairying as an obviously suitable industry for Nepal also suggest that the country may have a future as producer, user (for industries) and exporter (to India) of hydroelectric power. There are a number of projects either in progress or on the drawing board, and one of them is the Trisuli scheme, which will cost almost £3 million (US\$8 million). India has agreed to assist Nepal by providing the larger part of the finance required and furnishing most of the technical services needed, although the foreign exchange for the project is being provided by the Government of Nepal. Preliminary surveying has been completed, a jeepable road to the site is almost ready and now the work on the bridge across the Trisuli River and the dam and power plant will begin. When it is finished the plant will bring the promise of progress and a sense of connection with the larger world to the peoples of those long-isolated and primordial Himalayan valleys.

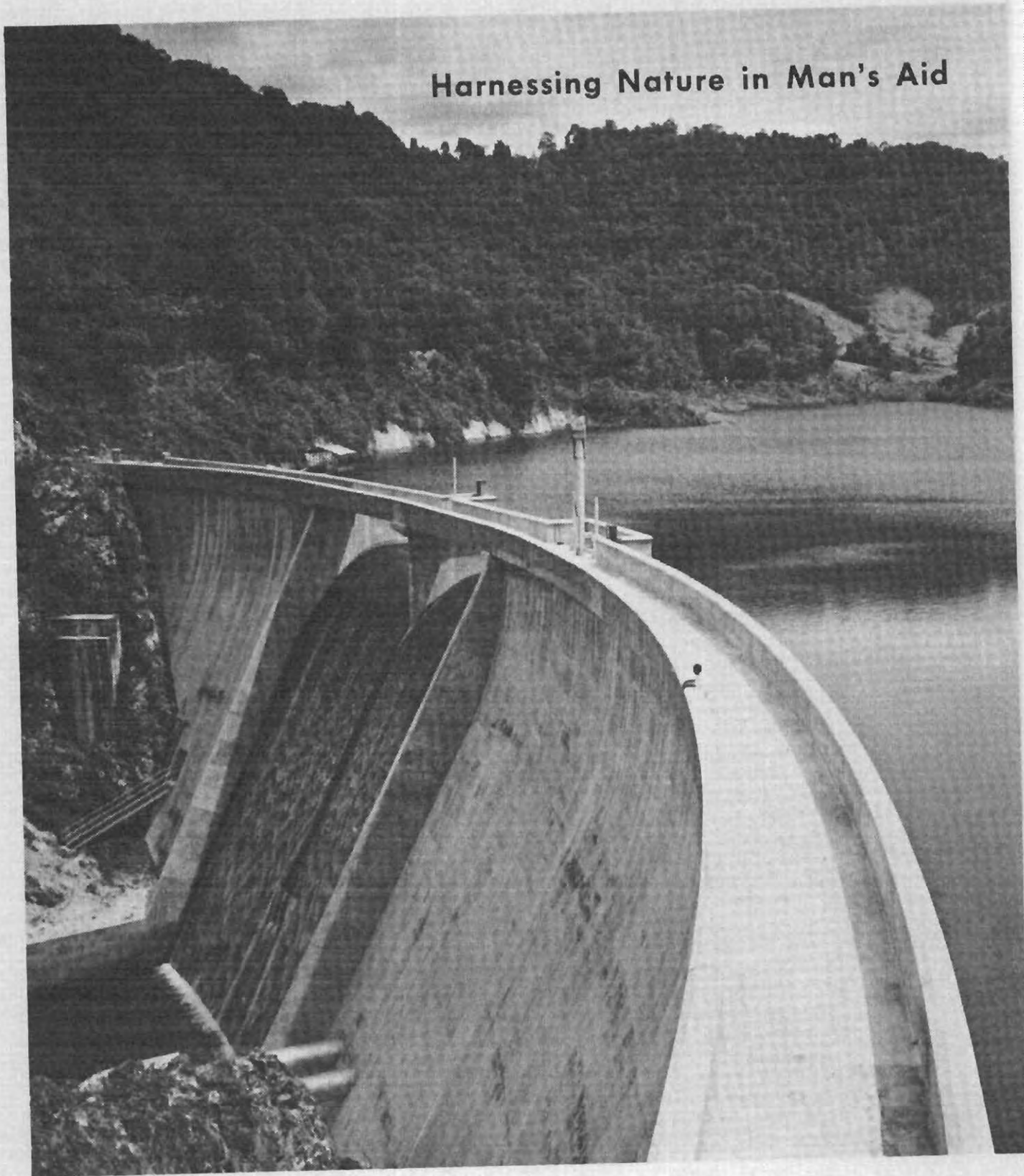
The Trisuli power scheme leads us neatly into the next sector to be examined for evidence of the decade's development in the Colombo Plan region—transport and communications. For the Nepalese valleys are a classic example of the prime need for transport facilities as the first essential before any other kind of development can proceed. In many countries of the

region some kind of access by vehicle is possible to every inhabited place: but not in Nepal. The first thing that had to be done on the Trisuli project, before even surveying could properly be completed, was to build a road that would take a jeep. The Americans like to call Nepal twenty times bigger than the U.S.A. in terms of transport, because while in America any point can be reached within twenty-four hours, the further corners of Nepal require three weeks' travel. Road-building is perhaps the most important development that is now in hand in Nepal, and there are two outstanding examples of Colombo Plan participation in this. The *Tribhuvan Rajpath* or 'Royal Road' that Nepalese and Indians have constructed over the mountains to link the two countries at a cost of £2½ million (US\$7 million) provided Nepal, at Indian expense, with its first motorable road leading to the outside world. And by a unique tripartite arrangement Nepal, India and the U.S.A. are now combining their resources to throw 900 miles of north-south feeder roads across the country. Australia, to add a typical Colombo Plan gloss on the story, has provided free of charge road-building equipment worth about £45,000 (US\$125,000), and an expert to inaugurate a maintenance workshop.

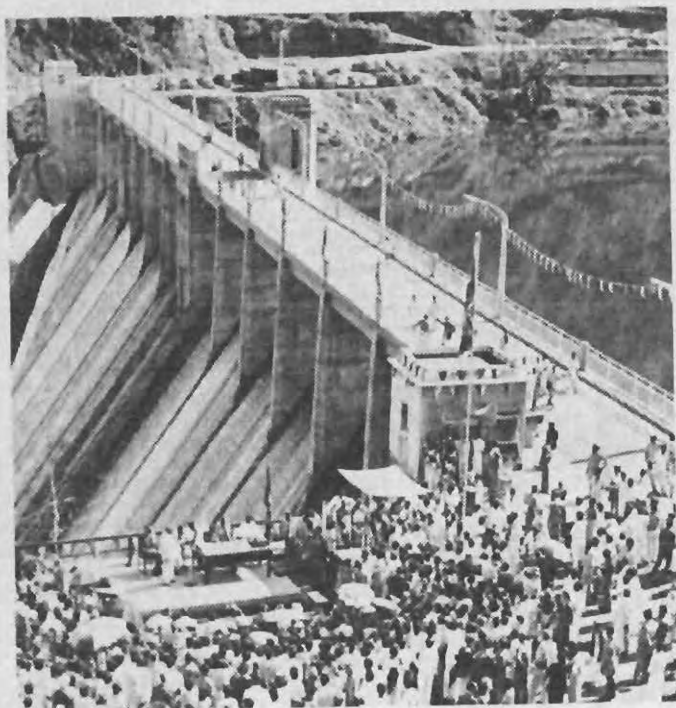
Something has already been said about the power development programmes of Thailand centering on the Yanhee thermal plant. Good roads will be needed for the maximum utilisation of the new power that will become available, and here again the Colombo Plan has been of assistance. The 92-mile "Friendship Highway," built with the co-operation of the U.S.A., has already opened up the northeast parts of Thailand to heavy traffic, and the new East-West Highway (also helped by the U.S.A.), will give access to virtually untapped forest and mineral resources. Similar in character to these Thai projects is the Khmer-American Friendship Highway in Cambodia, already described. This opened up virgin land for settlers who came and planted rice, pepper, bananas and other crops—and the large tracts of forest now exposed will certainly induce the development of lumbering and sawmill industries. The U.S.A. turned over to Cambodia the power shovels, bulldozers and other heavy equipment brought in for the operation, and they are being used for the repair of another important road section between Battambang and Peilin, a process helped by the fact that some 600 Cambodians received on-the-spot training in various phases of road-building during the Friendship Highway project.

Also of importance in Cambodia is the railway, and the Colombo Plan has again figured prominently in its progress. Four years ago Ministers of the Cambodian Government joined representatives of Australia, New Zealand and the U.K. to mark the ceremonial opening of the School for Railway Appren-

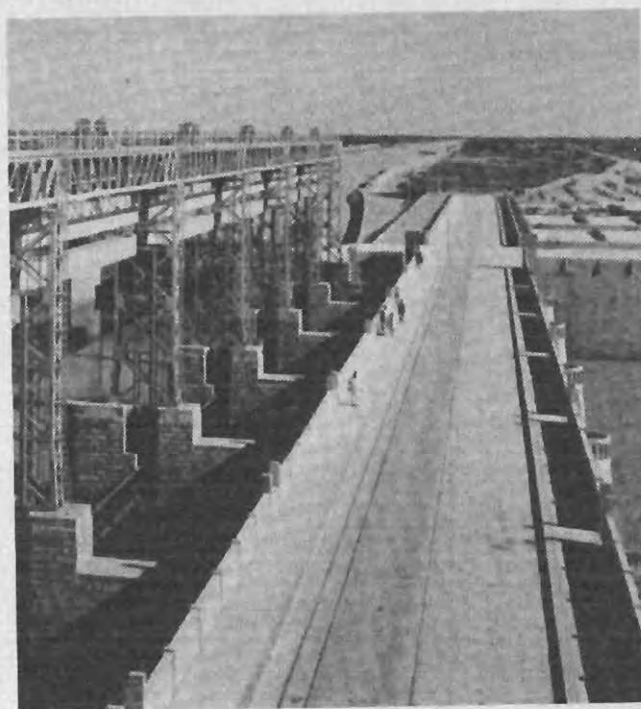
Harnessing Nature in Man's Aid



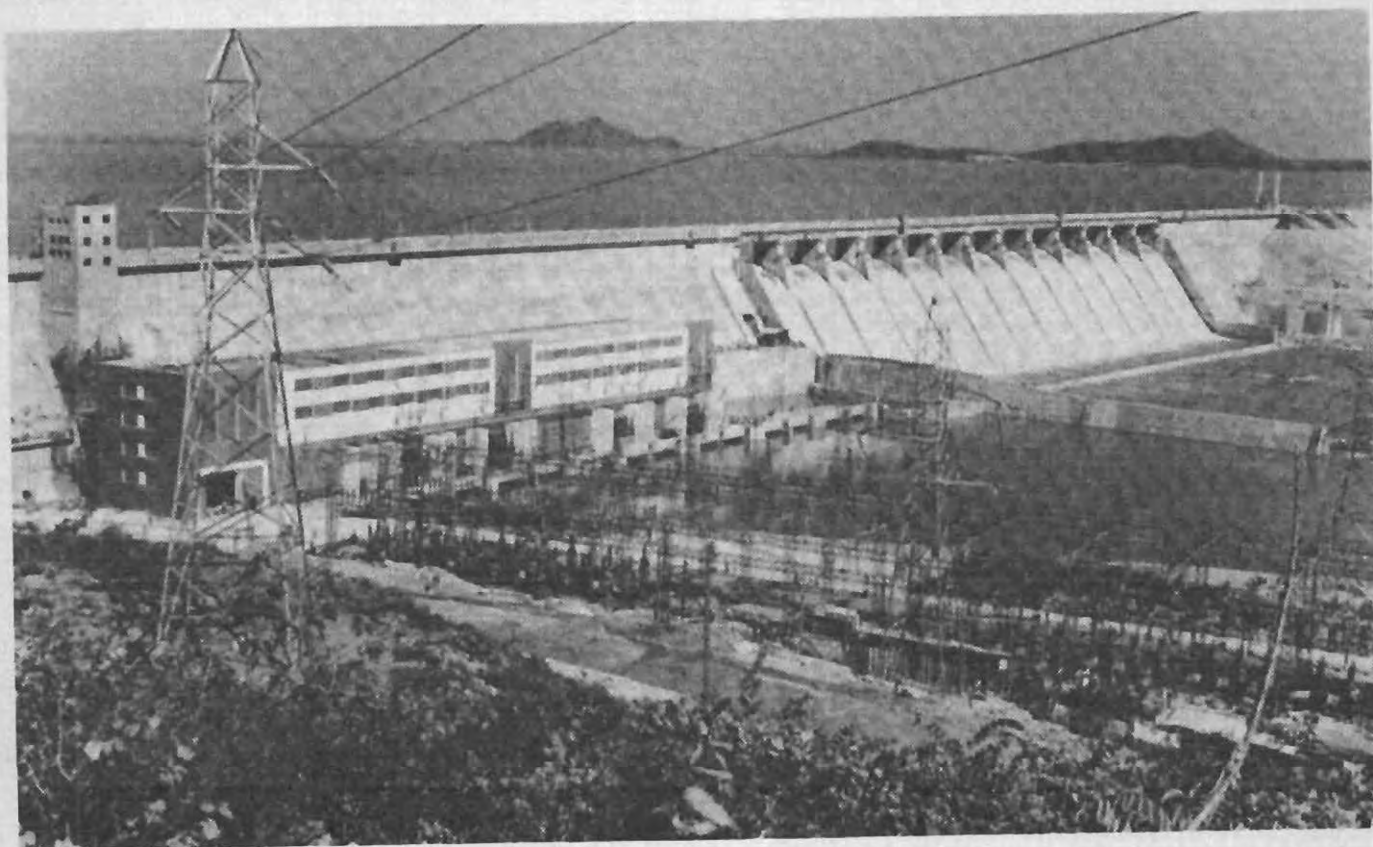
The recently completed Klang Gates Dam in Malaya.



The Castlereagh Dam of the Aberdeen Laxapana hydroelectric system in Central Ceylon added another 25,000 kw. of power.



From this barrage on the Indus River in Pakistan a canal will carry water 50 miles to feed other canals farther downstream.



Power house and spillway of the Hirakud Dam, India, a project assisted by the United States.

tices, at which up to 20 young men begin every year a three-year course in steam and diesel mechanics. New Zealand paid for the £33,000 (US\$92,500) building in which the equipment and furnaces used for instruction, at a cost of £39,000 (US\$109,000); and the U.K. presented the School with instruction films. Another case of all-around co-operation under the Colombo Plan! But that is not quite the end of the Cambodian railway story. Australia gave 75 railway wagons and four passenger coaches seating 80 people each, at a total cost of £475,000 (US\$1,330,000). The first 45 wagons were assembled in Phnom Penh itself: the others were assembled in Singapore and hauled by rail through Malaya (which made no charge) and Thailand, and the Australian Premier, Mr. Menzies, has hailed the way in which the Australian, Malayan and Thai Governments worked together on the project as a "practical demonstration of the spirit of the Colombo Plan." And Japan paid for two Cambodian trainees, one in commercial and technical railway operation and the other in repair and maintenance, to take courses in Japan.

Common interest

So the list could go on. New Zealand has contributed £110,000 to the cost of a bridge over the Pazundaung River in Burma and trained three Burmese in surveying and road building; Canada has allocated \$900,000 towards the cost of another bridge over the same river leading to the satellite town of Thaketa and has helped to finance a survey of Burma's highway system; Australia donated to the Burmese Government earthmoving equipment worth £15,000—these small but useful contributions totalling about £445,000 (US\$1.246 million), betoken the interest of these three Commonwealth countries in the highway development of a non-Commonwealth country within the ambit of the Colombo Plan. In Ceylon, Canada donated ten diesel locomotives and the U.S.A. twenty-five diesel-powered rail coaches. Australia presented the Indonesian Government with 200 diesel buses; the U.S.A. assisted in the building of important new roads in Sumatra and Java and lent money to help in the rehabilitation of fourteen of Indonesia's harbours; Britain co-operated with Singapore in the construction of Paya Lebar airport, now equipped for the jet age, and financed large road-building programmes in North Borneo and Sarawak; the U.S.A. gave hundreds of bulldozers and trucks as well as expert advice and training for the major expansion of roads on Mindanao island in the southern Philippines, to open up large areas of virgin land for settlement . . . and so on.

Telecommunications have also been striding ahead in the region (India had 378,000 installed telephones in 1959 against only 168,000 in 1951, and the num-

ber of trunk calls almost quadrupled in that period). In almost every country within the Colombo Plan there have been cases of training being given by the outside members in this field. The best example of Colombo Plan members acting in concert is the Telecommunications Staff College at Haripur in Pakistan, where British equipment and British General Post Office experts, New Zealand technicians' manuals, Australian radio equipment and an Australian carrier telephone instructor have joined with Pakistani materials, equipment and experts to provide a first class training centre. Similarly, Japan and Thailand are co-operating in the new Telecommunications Centre at Nondaburi, north of Bangkok. The U.S.A., Thailand, Laos and Vietnam are also combining to implement a regional telecommunications system to provide both long line connections and new local exchanges.

Once the foundations are laid—power, roads, railways, harbours—then the next step is the construction of appropriate and economic industries. Not out of any excess of economic nationalism: the original Colombo Plan of 1950 clearly and wisely declares that "there are . . . no grounds in experience for the view that development implies uneconomic national self-sufficiency." But the avoidance of unhealthy dependence upon a few major primary commodities for export, an acceleration of the process by which the people of the area are supplied with the material goods which they are increasingly demanding, and the efficient utilisation of the natural resources and manpower available—all these dictate the introduction of industry of various kinds. In this objective, as in others, the Colombo Plan has been of help.

One example has already been cited—the gigantic steel complex which Indian and British collaboration have caused to rise at Durgapur, in West Bengal. Very close to Durgapur is another case of industrial development assisted under the Colombo Plan. There are iron deposits in Orissa and Madhya Pradesh, in eastern India, which could become an important foreign exchange earner for India's development if they were fully developed—Japan's steel mills in particular are forever thirsty for the iron that Japan does not have. As a result a tripartite arrangement has been made, with Japan extending financial credit to India for the purchase of mining and ore separating machinery, and the U.S.A. also giving credit for the necessary extension of railway lines to the sea and the expansion of port facilities on that coast. The two Governments have between them given over £10 million (US\$29 million) of credits, and several Japanese experts are now at work in India assisting with the purchase and installation of the equipment. The Japanese Government has guaranteed to buy two million tons of ore a year for ten years from 1964, when

output will commence. This is from the Rourkela mine in Orissa: more recently a similar pact has been made between Japan and India for the development of the Bailadila mines in Madhya Pradesh, an even larger undertaking.

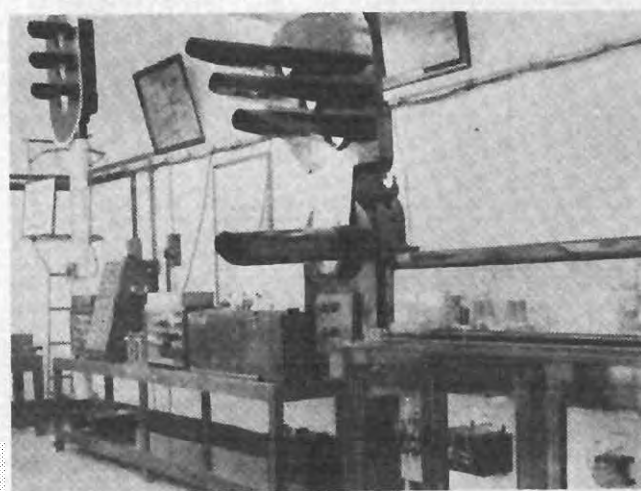
"Zeal-Pak"

There are many other examples to hand. One of especial interest is the 'Zeal-Pak' Cement Factory in Hyderabad, West Pakistan, which first went into operation in January of 1956. Its history is worth reciting, for it illustrates excellently the way in which this kind of Colombo Plan operation works. The Government of Sind province (later merged into the single province of West Pakistan) decided that a cement plant should be constructed in the area of Hyderabad but before it had looked very far into the question it was realised that the financing of the project would be way above the provincial Government's means. The Pakistan Industrial Development Corporation was persuaded to take an interest in the proposal, and backed it because cement was badly needed and would come into increasing demand as the various development schemes of Pakistan came into implementation: existing mills were not capable of fast enough expansion. A New Zealand mission later came to Karachi to discuss ways in which Wellington's promise of capital aid under the Colombo Plan could best be materialised, and the idea of helping finance the proposed cement mill was put forward. Although New Zealand did not herself manufacture cement kilns or other equipment for this kind of undertaking, the idea proved acceptable and in the result, of the £3.3 million (US\$9.2 million) invested in the factory to date, New Zealand has provided about one-third. It is evidence of the basically supplemental character of a typical Colombo Plan capital aid project that the external element was thus a useful but decidedly minority one. It is also evidence of the respect which the Pakistanis accorded to the goodwill patently behind the New Zealand participation that the mill was formally named the "Zeal-Pak Cement Factory Limited" in spite of it being 67 percent Pakistani paid for. The foreign exchange provided by New Zealand was used to purchase the most economical and efficient equipment from the whole world's array of competitors, and in this particular case it was Danish kilns that were chosen. The factory now employs 680 workers in modern and hygienic conditions (the canteen and dispensary compare with any in Europe or America); in 1959 it accounted for 30 percent of the entire country's production and last year it increased its own output by more than 40 percent (with the installation of a third kiln) to reach 424,000 tons.

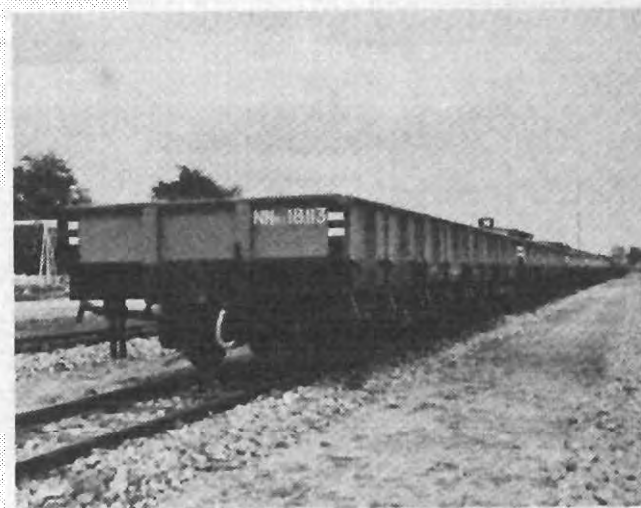
Further to the north of the West Pakistan prov-



Canadian diesel coaches on Ceylon's coastline railways.



Pakistan Railway Regional Training Center, Walton.

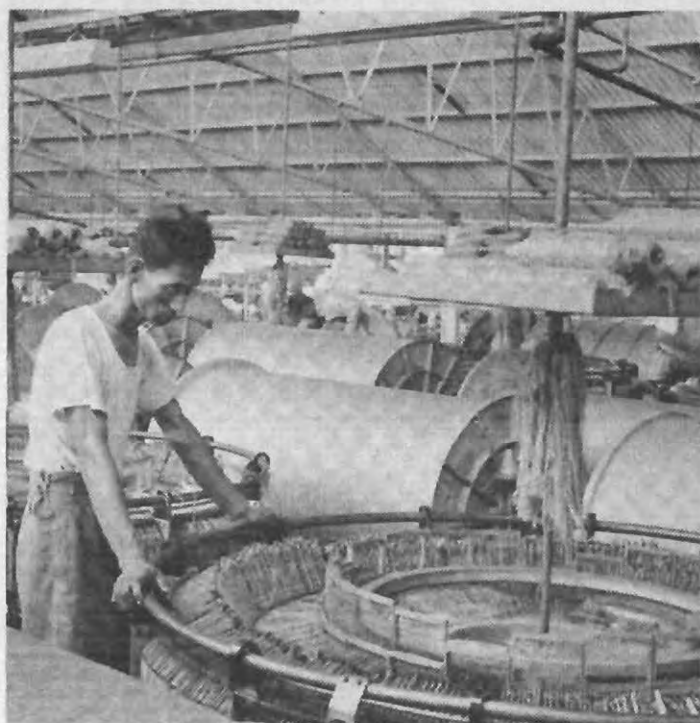


Rolling stock supplied by Australia for Cambodian Railways.



Many nations helped the Solo Rehabilitation Center, Indonesia.

ince, near the city of Mianwali, is another cement mill with a very similar history, except that in this case it was the Canadian Government that helped out with the initial installation—and it will come as no surprise to know that this has been named the “Maple Leaf Cement Factory Limited.” This time the total cost, including a second unit subsequently added by the Pakistan Industrial Development Corporation, was about £4.7 million (US\$13.2 million), of which Canada provided some 37 percent in the shape of machinery, equipment and the services of Canadian technicians. Total capacity is now 250,000 tons a year. Like its sister in Hyderabad, the Maple Leaf factory boasts a fine mosque, good housing at nominal rents, schools, a canteen, a dispensary and a recreation club and playground for its employees. The policy of the Pakistan Government is for enterprises of this kind, once launched successfully by the PIDC, to pass gradually into private hands as a public limited company, and in the case of Zeal-Pak the PIDC now owns only 51 percent of the shares, the balance having been taken up by members of the public—last year’s dividend was 10 percent. These two fine factories not only utilise existing raw materials and labour: they are also making a positive contribution to the country’s development. Cement from the Zeal-Pak and Maple Leaf plants has gone



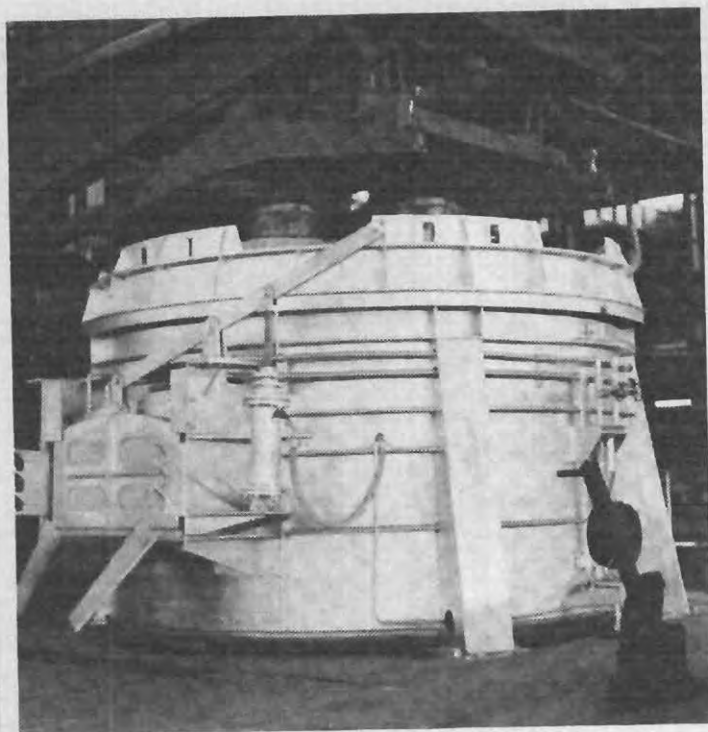
Circular looms of the Burma Government Jute Mill.

into the jet runway at Karachi airport, the reconstruction of the east wharf of Karachi Port, the State Bank building and scores of other development projects—a ‘multiplier’ effect of Colombo Plan co-operation if ever there was one.

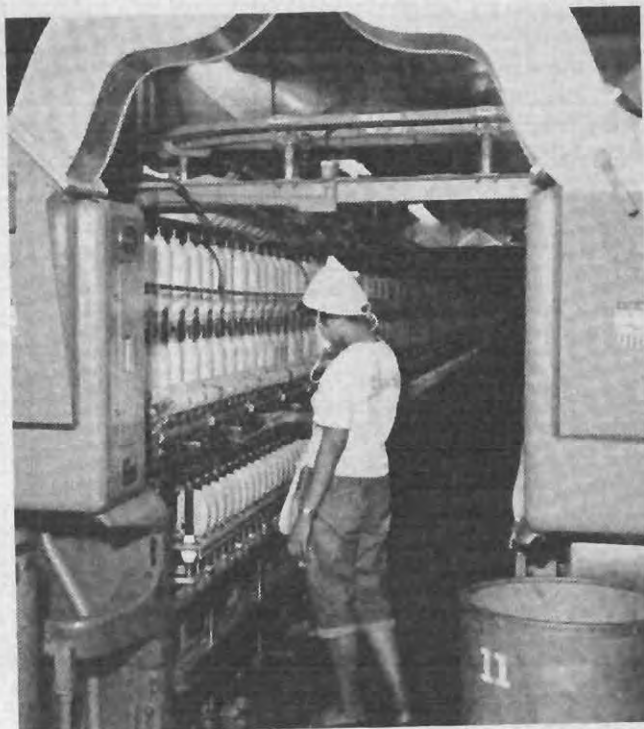
New Zealand made a similar contribution to the Zeal-Pak sugar mill at Dewanganj, in East Pakistan, and has contributed £100,000 toward the cost of a fertiliser factory in Burma. Another example of this kind of help for industry is a plant for manufacturing asbestos cement sheets and building boards which was opened in Djakarta, Indonesia, by the New Zealand Prime Minister eighteen months ago. New Zealand contributed £106,000 towards this factory, which is helping to overcome the shortage of suitable roofing materials for low-cost housing schemes in Indonesia.

Housing

This is the first mention of housing. Like all the social aspects of development—education, health, and so forth—housing does not command the glamour that a big dam or a giant factory can. Yet the social services are vital to a people’s morale and are a field in which every emerging country has to invest for long-term dividends. The original Colombo Plan of



Electric furnace of the Ywama steel rolling mill at Rangoon.



In a textile mill built by the Philippine-American program.

1950 made this clear in declaring that "in democratic countries a certain minimum of social services must be provided concurrently with programmes for economic development if these are to command the popular support without which they would be frustrated." Medical and educational facilities have been improved in every country of South and Southeast Asia, and the Colombo Plan has played its part in these phases of development.

In 1952, Indonesia was struck by an epidemic of poliomyelitis, and many schoolchildren in Bandung, Djakarta and other cities suffered from the tragedy. A few weeks later Dr. Soeharso, an Indonesian orthopaedic surgeon directing the Solo Rehabilitation Centre, went to India to attend conferences on child welfare and social work: in Bombay he saw over a Crippled Children's Centre and at once realised the need for a similar institution in Indonesia. On returning home he founded a society for the purpose and, together with his wife, established a Crippled Children's Centre in Solo in addition to the existing one for adults. Today there are many branches throughout Indonesia and hundreds of children have been treated in them. A variety of foreign and international organisations have given assistance to this worthy movement, and among them the Colombo Plan. In 1955 four of the Solo leaders were given senior visitorships

to study similar institutions in Australia, and later another went to New Zealand for the same purpose. A refrigerator, washing machine, wheelchairs and instruction books have been supplied through the Plan, and Australia and Canada supplied in turn a qualified physical therapist to train girls at Solo in work with crippled children. In this way the Colombo Plan is helping to make useful and satisfying young lives that otherwise might have remained bitter and wasted.

Community Development

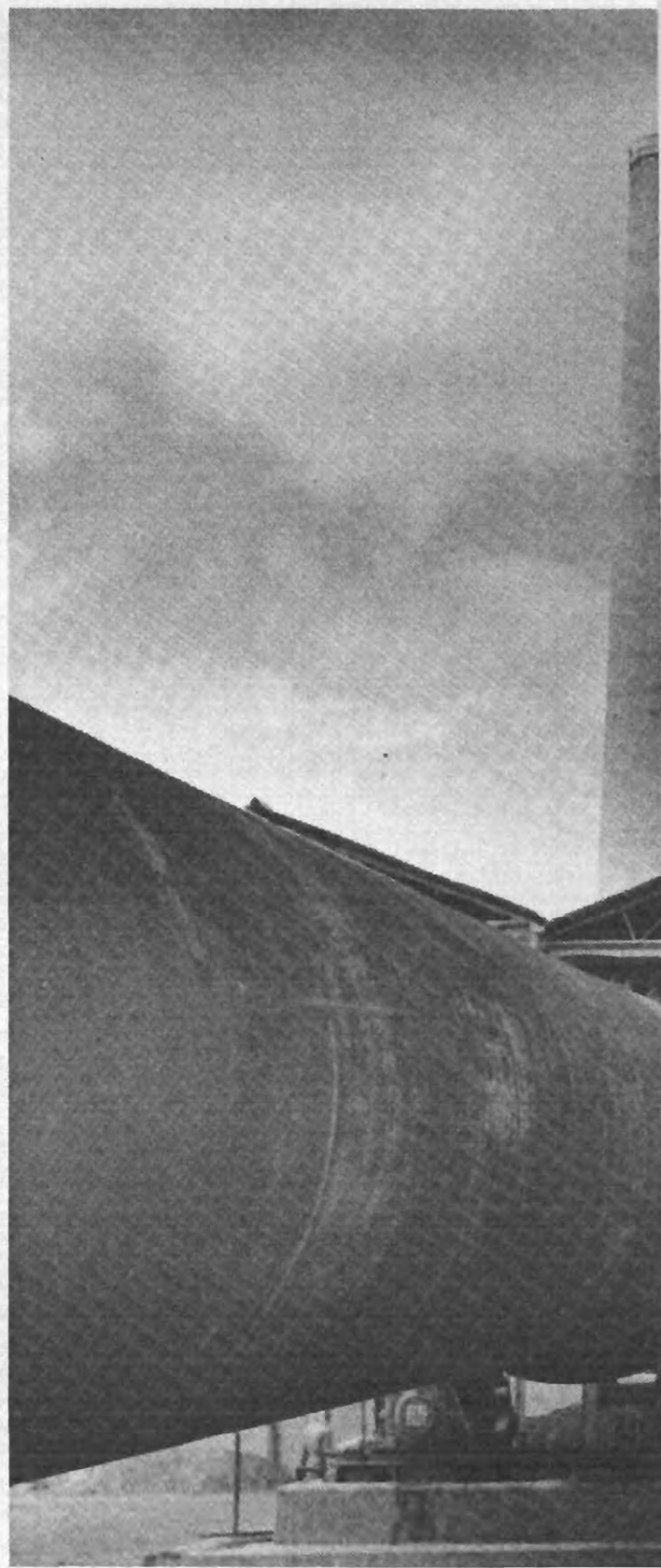
Community development is another important field into which much effort is being put in the region. Under the Philippines programme, for instance, about 6,330 *barrios* or villages throughout the country have been covered, and among other things some 400,000 miles of self-help *barrio* roads have been constructed (and as many again are being laid) to the benefit of some 650,000 people. Canada gave training at the University of British Columbia to one Philippine Government teacher in this field, and the U.S.A. provided two advisers for an aggregate period of six and a half years—as well as paying for a provincial development officer to study at London University (three others followed for the session just ended). Much the same

could be said of other countries where community development programmes of varying kinds are in hand and where Colombo Plan training or equipment is helping.

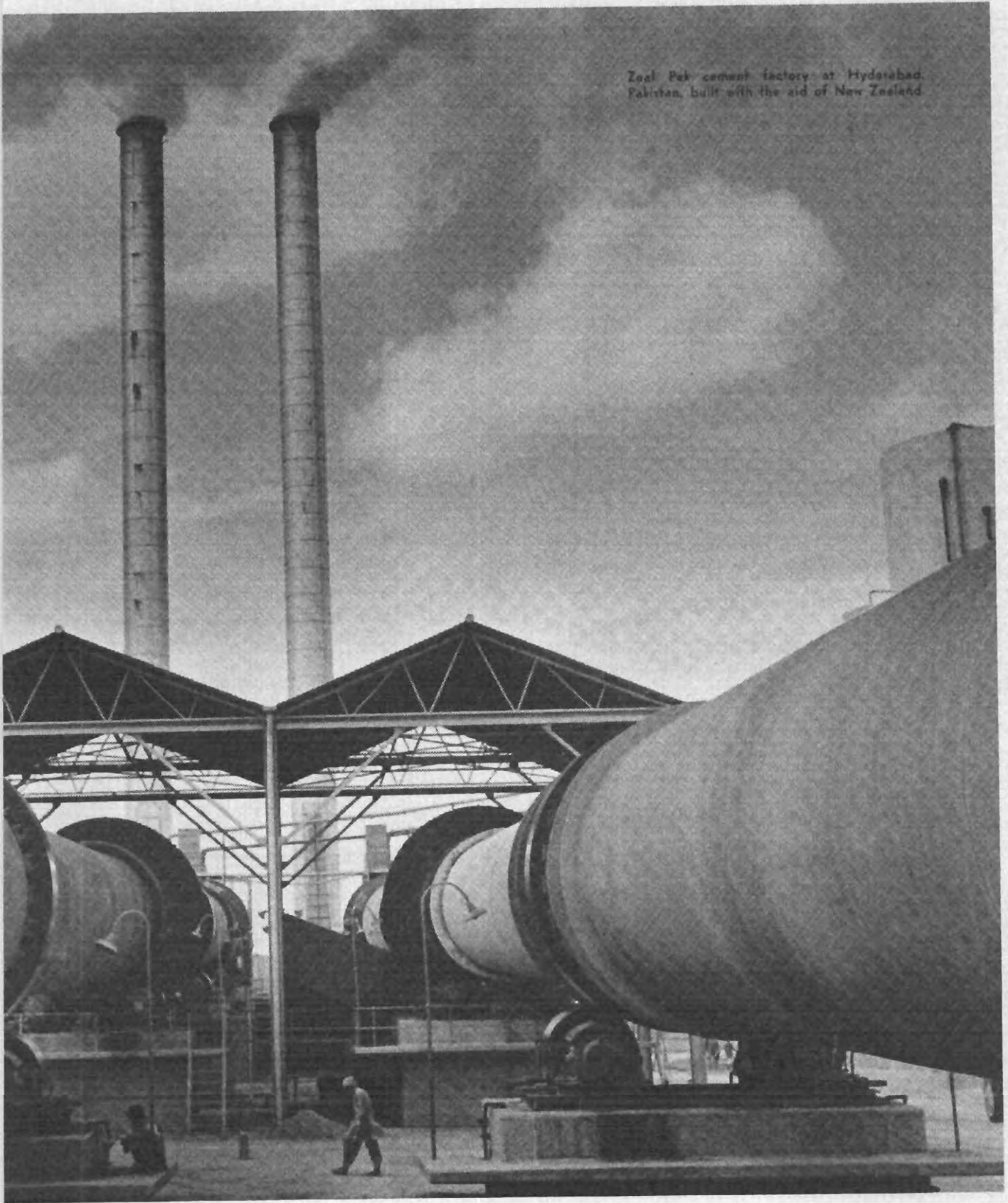
Finally, education. Particularly technical education, and this brings us back to one of the points that was first made: the Colombo Plan's particular stress on the co-operative transmission of technical skills within the region. Let us look at one or two examples of efforts to supply "instructors of instructors," the most proliferating kind of assistance that can be given in this field. Malaya, for example, found in 1952 that her four trade schools at Penang, Ipoh, Johore Baru and Kuala Lumpur were all understaffed and that it was impossible to recruit from local circles teachers who were suitably qualified. The Malayan Government requested specialists under the Colombo Plan: Australia and Canada each sent an expert in bricklaying and another in carpentry, and a skilled plumbing instructor was also dispatched by Canada. Australia also donated some technical publications, visual aids, charts and film strips. The five specialists then began courses in building for untrained Malayan youths and trained potential instructors into the bargain. Even more multiplying in its effects was the assistance given by Australia to the establishment of the Printing Trade School in Indonesia, already mentioned. Not only did this enable Indonesians to learn at first hand the arts of process and photo-engraving, bookbinding, composing and other printing techniques, but the whole operation helped Indonesia to overcome the acute shortage of textbooks that was contributing to create the bottleneck in technical education at large.

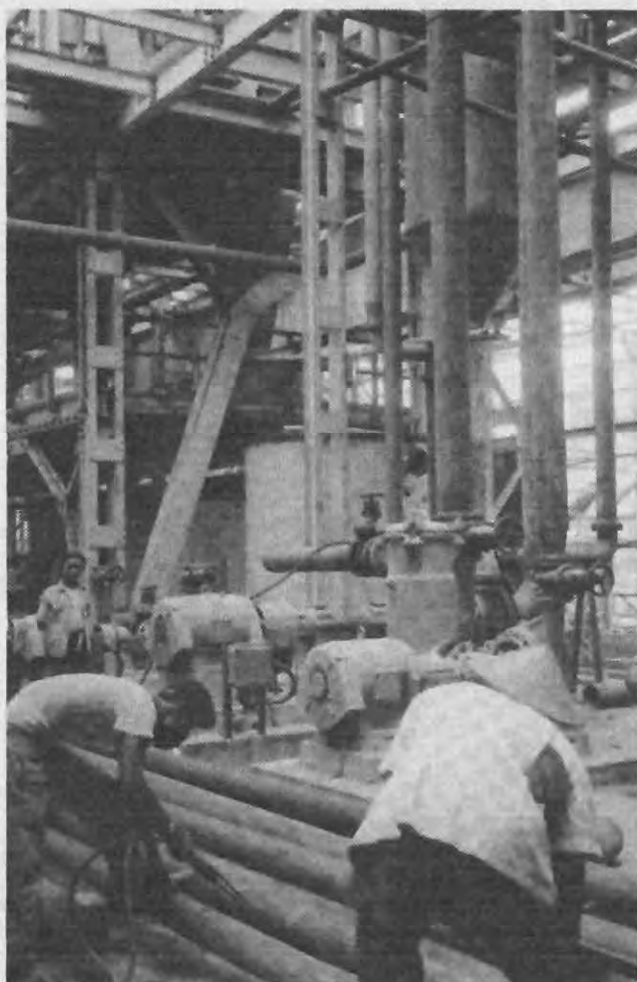
A Fast Spreading Institution

The Polytechnic is an institution fast spreading in the Colombo Plan region, and many of those already established have been speeded by Colombo Plan collaboration. The Singapore Polytechnic, for instance, which was opened by H. R. H. the Duke of Edinburgh early in 1959, was planned by British experts and equipped with machine tools by Australia and wood machine-shop equipment by Canada, while New Zealand and the U.K. donated books. The institution can accommodate 1,000 full-time students and another 4,000 part-time. In Burma several training institutes are expanding: Australia, Canada and the United Kingdom have donated equipment and New Zealand has recently given the services of experts to advise on the development of the Artisan Training Centre at Rangoon, and the workshop superintendent of the Government Technical Institute at Mandalay went to study in New Zealand. The United Kingdom also donated equipment for the expansion and development



Zoel Pak cement factory at Hyderabad,
Pakistan, built with the aid of New Zealand.





Madu Kismo Sugar Mill in Jogjakarta, Indonesia.



Road construction in Laos with American equipment.

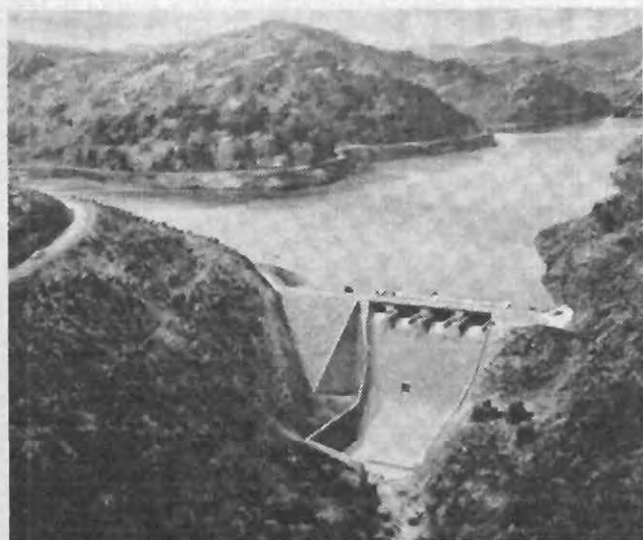
of the faculty of engineering in the University of Rangoon. And, as one would expect, the large and spectacular capital aid projects are powerful instruments of shared technique. A hundred Pakistani engineers, their work in collaboration with Canadian specialists on the Warsak scheme finished, have now reverted to their original departments or transferred to other projects with invaluable experience of work on this scale in the conditions of their own country—not to mention the thousands of Pathan tribesmen whose new capacity to handle machines will undoubtedly be put to good use in the years to come. And at Durgapur several hundred Indian engineers have undergone training in steel technology in the U.K., Australia and the U.S.A. as a result of the project.

Indus Water Treaty

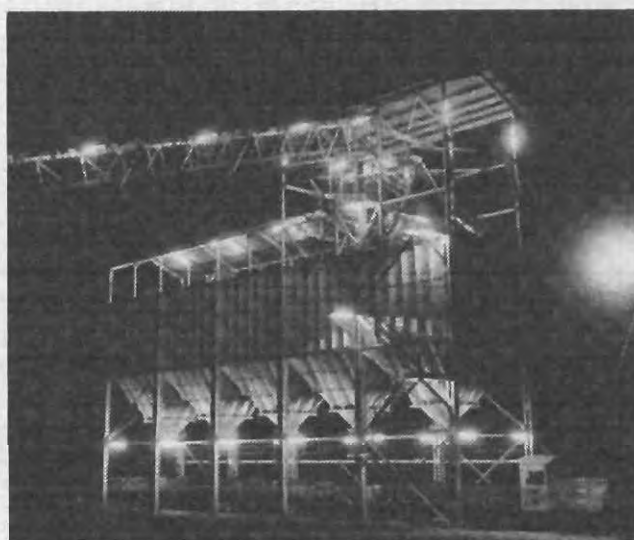
Most of these have been illustrations of technical assistance and capital aid to a single country. But sometimes projects cross national boundaries in the sense that development work on either side is intimately linked—the U.S.A.-assisted regional telecommunications scheme involving Vietnam, Laos and Thailand is one example that has already been cited. It is appropriate to end this account of Colombo Plan capital aid projects with the two biggest cases of shared benefits. In September of last year the famous Indus Waters Treaty was signed, representing agreement between India and Pakistan on the use and development of water resources on which the livelihood of 50 million people (the population of a Britain) in the two countries depend. The pact was made possible by the coming together of the two countries' views on this difficult matter, and the persistent efforts of the World Bank over a long period, played an important role in this. But while Premier Nehru of India and President Ayub Khan of Pakistan were signing this historic document, representatives of the World Bank and seven individual Governments—six of them Colombo Plan members—were also putting their names to the international financial agreement that will materialise the hopes created by the Karachi Treaty. They agreed to set up a £320 million (US\$900 million) fund to finance irrigation and other works in Pakistan consequent on the Treaty. The Colombo Plan can claim a little of the credit for this important aid to economic collaboration between these two large neighbours for the benefit of both their peoples. Again, it was ECAFE that took the initiative in reconnoitring the basin of the Lower Mekong River and surveying the prospects of its joint development to the benefit of the four riparian states of Cambodia, Laos, Thailand and Vietnam. But Australia, Canada, India, Japan, New Zealand, the U.K. and the U.S.A. all gave considerable help to the Mekong River scheme



The Indus Water Treaty was signed at Karachi September 19, 1960. Shown from left are Shri Jawaharlal Nehru, prime minister of India, Field Marshal Mohammed Ayub Khan, president of Pakistan and Mr. W. A. B. Iliff, vice president of the World Bank.



Cameron Highlands hydroelectric project in Malaya.



Fuel preparation plant at Mae Moh lignite mine, Thailand.

(which now appears, for this reason, as a seventeenth "recipient country" in the Colombo Plan Bureau's records) under the Colombo Plan.

One of the Canadian contributions was a free aerial survey of the Mekong basin, and this illustrates another feature of the Colombo Plan—the special programmes that have been developed by almost every 'donor' as peculiar only to itself. Canada has now provided free aerial surveys to five countries in the region. New Zealand's penchant for dairy development has already been mentioned. Australia has launched a most successful programme of correspondence school scholarships (and Malaya is now running one of her own, using the Australian experience). Canada imaginatively began the famous Medical Book Scheme which has despatched thousands of badly needed textbooks to scores of medical schools throughout the region. The flexibility of the Plan, and the way it lends itself to the expression of the individual genius of each member without insisting on sterile uniformity or formality, is thus brought out.

This, then, is a little conspectus of some of the things the Colombo Plan has done—and has helped to do—in South and Southeast Asia during these past ten years. These are some of the dams that have been built, acres reclaimed, new crops introduced, roads and railways built or renewed, air fleets assembled, factories constructed, schools and hospitals established or expanded, trainees—and instructors—instructed. These are the tangible results of a decade of labours shared by every one of the twenty-one members of the Colombo Plan. They are there to see for anyone who cares to look at this Asia of 1961.

But this is not all, nor would it be truly satisfying to the collaborators if it were all. There are intangible achievements of the Colombo Plan that cannot be labelled and pigeonholed in the dossiers of the region's material development. These less easily identifiable successes of the Plan are many, but three in particular, stand out.

Planning

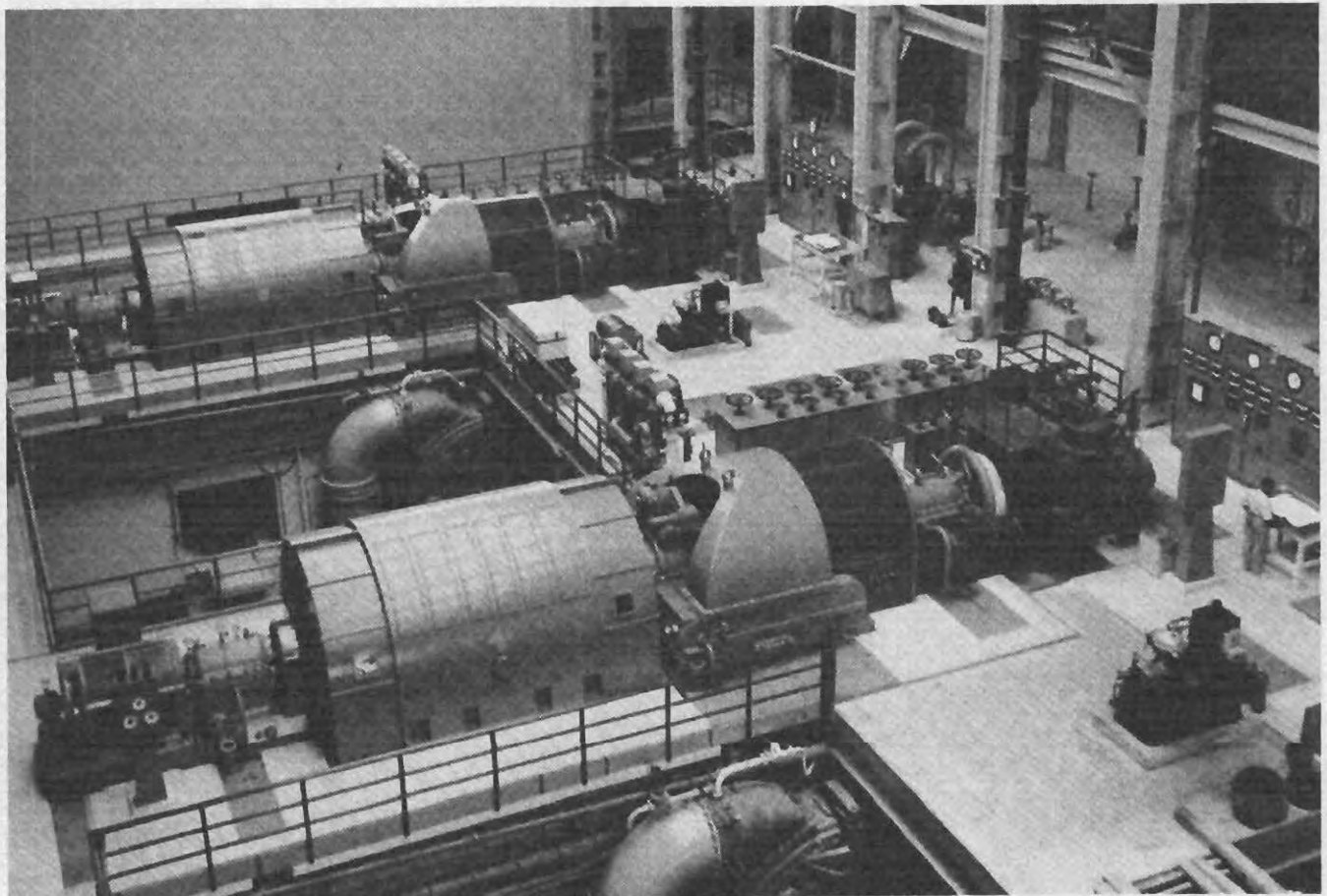
First, there is the status to which the planned use of resources has become elevated in the economic councils of the region. As the original 1950 Colombo Plan declared, a stage had by then been reached at which "it is possible to plan ahead and to move from policies based upon the need to deal with immediate emergencies to the execution of sound and realistic long-term plans for economic development." Let there be no mistake about this: a considerable degree of Government planning is necessary for fast development in the situation in which the countries of South and Southeast Asia find themselves today. The already advanced countries enjoyed advantages that

India or Vietnam today do not enjoy: they started on their industrial careers with very much higher income levels, for one thing, and they normally had markets abroad both to absorb their manufactured products and to supply them with raw materials. Despite large populations, the typical Asian market is still small and it is just not possible for private enterprise to break the vicious circle through its own effort. By centuries-old social tradition the ordinary man tends to wait upon Government decision and Government action for any alteration in his surroundings and Asia cannot afford to wait for this attitude to take its own time to change. For the Government to take a hand in mobilising the resources for development and to influence the priorities that are chosen does not necessarily mean a negation of freedom on the substitution of arbitrary centralised decisions for the market mechanism. Democratic planning in the spirit that the Colombo Plan has consistently fostered involves, first of all, the people's acceptance of the plan and of the sacrifices that it calls for. Indeed the best planning plots its own decease—by fostering community development, co-operatives and similar boosts to individual and community initiative, and by creating satisfactory conditions for the flourishing of constructively unfettered private enterprise. It works largely through such indirect controls as the regulation of interest rates, taxation and the like. It creates the heavy substructure without which the free exchange of goods and services in a democratic society remain insecure. It puts in, if you like, the concrete floor upon which a self-governing household can run its affairs safely and fruitfully.

It is in this sense that the Colombo Plan has encouraged the Governments of the region to prepare the ground thoroughly before embarking on costly and laborious development work. The original Colombo Plan of 1950—the report of the London meeting of the Consultative Committee—assembled under one cover the broad outlines of the development programmes of the seven Commonwealth countries and territories for the ensuing six years, and the other countries of the area subsequently followed suit. This means that when a proposal is put to, say, the Australian Government to interest it in contributing technical or capital assistance, it is possible for officials and legislators in Canberra to see where that proposal, be it a dam or a highway, fits into the overall needs and considered priorities of the requesting Government's economy; and that the Government actually directing the economic development of the country in question is enabled to direct its requests for aid to those projects that genuinely, in the opinion of its own best experts after mature and thoughtful weighing of all the requirements and resources, deserve prior implementation.



Above, marine students at Singapore Polytechnic.
 Right, spinning and weaving mill in Saigon, Viet-Nam.
 Below, Pasu Panjang Power Station in Singapore.



Today every country in the region has a long-term Development Programme of some kind, and its existence is taken for granted. But ten years ago it took some persistence and persuasion to make this approach acceptable. True, the idea of planning in South and Southeast Asia has a far longer pedigree than the Colombo Plan. The Indian National Congress that formed the first Government of independent India had instituted a planning committee long before 1947, and when the call came from the Sydney meeting of the Consultative Committee in May of 1950 for six-year programmes, the Indian Government was already actively preparing its own First Five-Year Plan. But the members of the Colombo Plan during this past decade have extended to one another a most valuable education—in the practical exigencies of sound preparation and planning of projects on the one side, and in the very great and often unsuspected difficulties that the Government of the region are faced with in making their plans ready, on the other side. Both the 'inside' and the 'outside' members of the club have had to accommodate themselves to the other view a little, and both have gained in the process. And the idea and practice of drawing up sound and well-based programmes before spending money has gained unshakeable currency.

Goodwill

Secondly, the Colombo Plan has built up an astonishing and inestimable reservoir of goodwill among its members. The point has already been made that the accession from the beginning of Asian countries, that only a few years before had been in conflict with their former rulers over their right to a sovereign existence, was in itself testimony to the honesty of purpose of the Plan. And that the association with Australia, Britain, Canada, New Zealand and the U.S.A. of Asian countries meticulously determined to become indebted in no way to anyone was a triumph, first of the Commonwealth idea and second of the Colombo Plan spirit. There were times when the representatives of Governments that were busy exchanging hostile notes and recriminations were calmly sitting down with each other at Consultative Committee meetings to prosecute their development business in an atmosphere of cordiality and candour.

This *mystique* of the Colombo Plan has puzzled observers and sometimes surprises the members themselves. It springs apparently from a deep-rooted respect for sovereignty, an ingrained concern for constitutional forms, a studied and implacable egalitarianism that was lent by the British *ethos* to the Commonwealth and by the Commonwealth to the Colombo Plan. To call it a 'family' or a 'club' is not enough. But however its elusive cementation be de-



Jute mill in Viet-Nam, assisted by the United States.



Construction of Serian-Simanggang Road, Sarawak.

scribed, it remains one of the most successful ventures in international trust and community that the post-war world has seen. This quality will ensure its continuing contribution in its own particular field to the peaceful ordering of the world's affairs.

Thirdly, the Colombo Plan has a rather more specific role in the region that it embraces, of maximising the growth of mutual trust and co-operation between neighbours. It has been seen already how the proportion of technical assistance dispensed under the Plan by the 'insiders' themselves is growing. Even capital aid is not exempt from this gradual transformation of the Colombo Plan. Some examples have already been given of India's capital assistance to Nepal in the form of roads and dams. This aid to a northern neighbour now totals some £26 million (including technical assistance as well) in the past decade. That is rather more than the £17 million that New Zealand has given under the Plan in both technical and capital aid: a fact of which New Zealanders are doubtless proud as testifying to the success of an idea they did much to nourish. And we have seen, carrying the concept even further, how 'aid in reverse'

is now from time to time given—for Australians and Japanese to study at their hosts' expense in India and Pakistan, for example. No doubt, ECAFE has been valuable in providing a focus for the regional idea but when the history of South and Southeast Asia comes to be written the Colombo Plan will deserve its share of credit both for the fostering of the concept of community in this region and for its fashioning of the practice of inter-Asian exchange.

What, then, of the future? How will the Colombo Plan fare in its second decade of joint crusade against poverty and world economic imbalance? One should not form the impression that everything is monotonously perfect in the 'club.' There are differences of opinion within the association as there are in any live body of equals. From the beginning there were those who argued that the most effective machinery for mutual assistance in development would be a loose kind of regional planning with some degree of multilateralism. To this the usual answer has been that in a world of sovereign and free peoples no country can be obliged to do more for its neighbours than it thinks fit in its own best and enlightened interests

Foodgrain silo-elevator at Hapur, Punjab, India, built with aid from the United States.



—and that the 'insiders' of the Club, too, treasure at heart their freedom to pursue their own way, their own plans, to make their own mistakes and learn from them, without the interference of anyone outside. The Colombo Plan in its present highly flexible form, this argument runs, offers the most effective machinery to get the best out of the donor as well as the best out of the receiver. But the discussion will no doubt continue over the years and opinions my subtly shift. Again, some would say that the distribution of capital aid within the region is inequitable, that this country or that country has had a 'better deal' than it merits by virtue of its size or numbers or needs. But by and large, when all the contributions are taken into the reckoning, the American with the Indian, the Australian with the Canadian, it is hard to avoid the conclusion that it would require an economic Solomon to say who should have had more or who should have had less.

Mutual Education

The next step is less controversial: it is to suggest that *everyone* deserves more. Few would deny the desirability of an augmented flow of capital into the area, particularly with the growing realisation that the prosperity 'gap' between the emerging countries and the advanced countries is becoming larger, not smaller. As the Red Queen said to Alice in *Through the Looking Glass*, "here, you see, it takes all the running *you* can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that!" In today's race for economic parity there could hardly be a more moving inducement for the richer members of the club to

give more. But the Colombo Plan has survived this kind of confrontation, and it will go on, one supposes, offering a forum for mutual education—of the 'donors' into the rising needs of their Colombo Plan partners within the area, and of the 'recipients' into the difficulties of donor countries who have their own problems of finance and development. Short of compulsion in world affairs, the Colombo Plan is as good a vehicle as any yet devised of peaceful pressure to abolish the 'prosperity gap' in a world increasingly aware of its essential oneness.

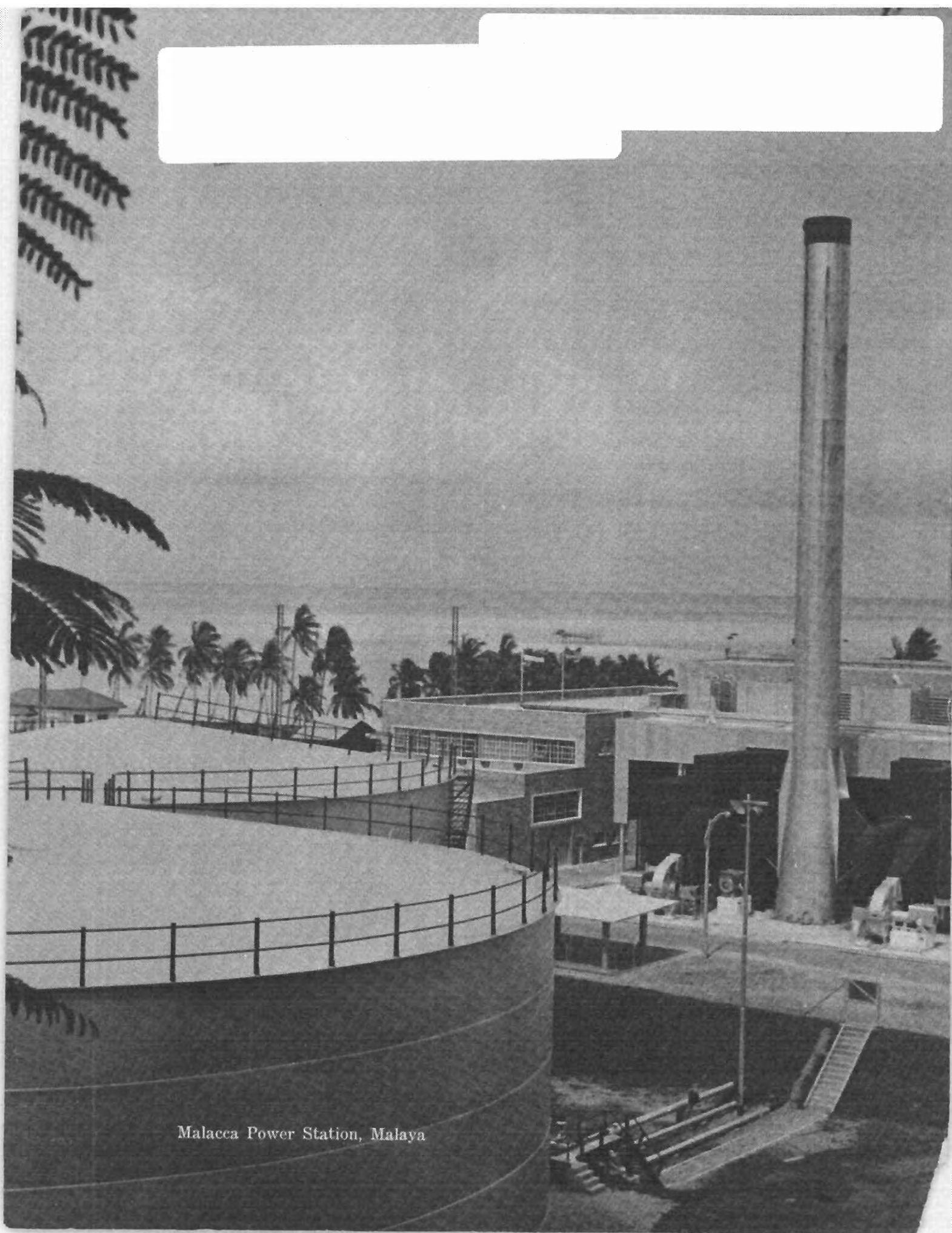
This would seem to be the immediate path, therefore. Continued free and equal debate on how to improve the machinery of co-operative development. And then, when in the end the objective is attained of self-generating growth (which India hopes to reach ten years hence and which the others will successively achieve thereafter), will the Colombo Plan disband? It might, its job done and its targets fulfilled. But it might also continue as an organ of international living, no longer strictly necessary for bridging the 'growth gap' but still useful in contributing to a new endeavour of equal growth by all and in spreading even further its ideals of mutual trust and understanding. That so many Indonesians have come to know intimately the life of Australia, that so many Canadians have experienced the way the world looks from India—this has made a material difference to the history of our time, and will, after all the 'take-offs' have happened, make an appreciable material difference to the history of our children. But it has also helped to lay the more intangible foundation—and will continue to strengthen the growing structure—of the world commonwealth that we all seek.



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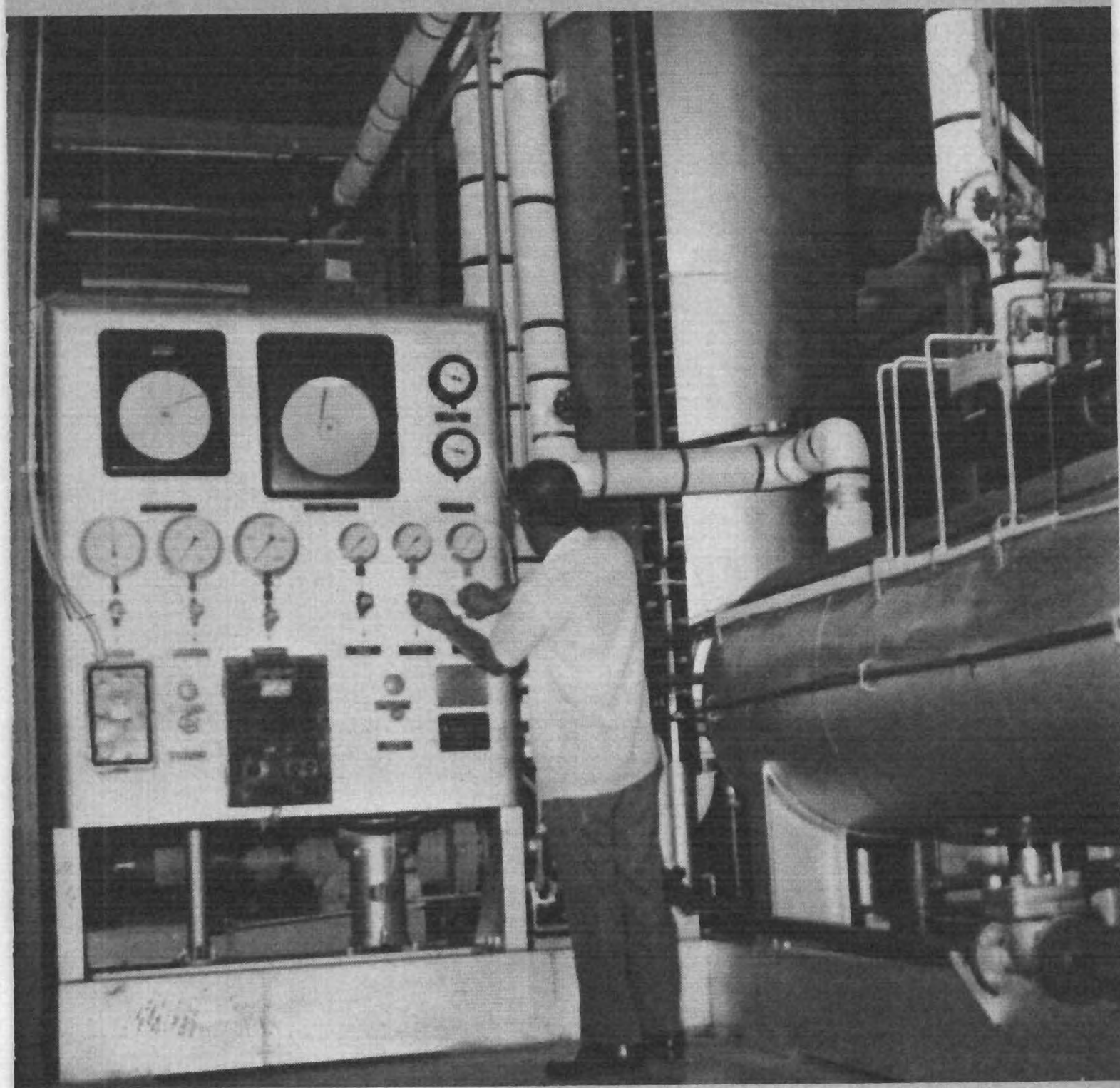
Front Cover—General view of the Canada-India Reactor, Trombay, India.

Back Cover—Forest Products Research Institute, Philippines.



Malacca Power Station, Malaya

SELF-HELP AND INTERNATIONAL COOPERATION



THE COLOMBO PLAN STORY